

State of Utah

*Welcoming
the World...*

Comprehensive Annual Financial Report

For the
Fiscal Year Ended
June 30, 2001

SALT LAKE 2002
light the fire within



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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L. Alma "Al" Mansell President of the Senate
Martin R. Stephens Speaker of the House
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ACKNOWLEDGMENTS

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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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State of Utah

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November 13, 2001

To the Citizens, Governor,
and Members of the Legislature
of the State of Utah:

It is our pleasure to present the 2001 Comprehensive Annual Financial Report of the State of Utah in accordance with Section 63A-3-204 of the *Utah Code*. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the State's management. To the best of our knowledge and belief, the enclosed data accurately presents the State's financial position and results of operations in all material respects. We believe that all disclosures necessary to enable the reader to gain an understanding of the State's financial activities are included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section contains a list of principal officials, this transmittal letter, the state organization chart, and graphic presentations that provide an overview of state operations. The Financial Section contains the general purpose financial statements and footnotes; the individual, combining, and account group financial statements; and the State Auditor's report. The Statistical Section provides a history of selected financial and demographic information.

Federal regulations require the State to undergo an annual "Single Audit" in conformance with the Federal Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Information relating to the Single Audit, including the schedule of expenditures of federal awards, audit findings, summary of prior audit findings and recommendations, and the State Auditor's report, is issued in a separate report and will be available at a later date.

This report includes all funds and account groups of the State of Utah. Within the funds are the various departments, agencies, and other organizational units governed by the Legislature and/or the constitutional officers of the State of Utah. In addition to general government activities, we have included component units and other entities which are financially accountable to the State, or for which the nature and significance of their relationship with the State are such that exclusion would cause this report to be misleading or incomplete. The criteria used to determine if a particular entity is financially accountable are: 1) a state official appoints a voting majority of the entity's governing body; and 2) the State has the ability to impose its will on that entity, or the entity has the potential to provide specific financial benefits to, or impose specific financial burdens on the State. The component units and other entities that are part of this report include, but are not limited to, the Utah Retirement Systems, Unemployment Compensation Trust Fund, Utah Housing Corporation, Alcoholic Beverage Control Commission, Board of Regents Student Assistance Programs, and State Colleges and Universities.

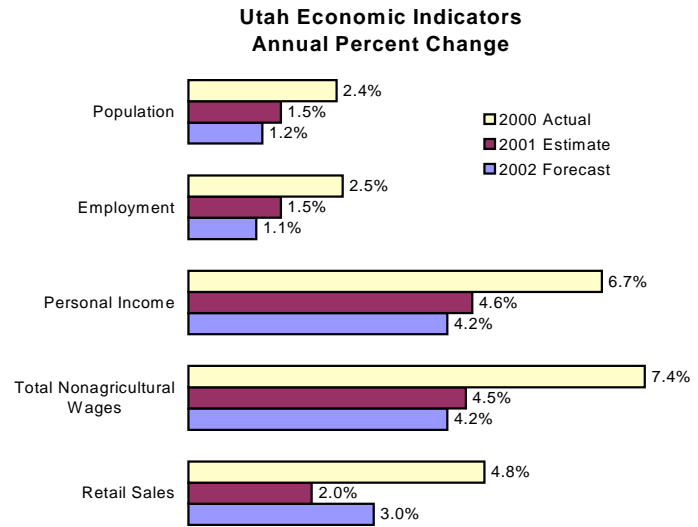
ECONOMIC OUTLOOK

For more than a decade Utah's economy has seen remarkable growth. Between 1988 and 2000, annual job growth averaged 4.1 percent, unemployment averaged 4 percent, and annual personal income growth averaged 7.2 percent. Utah's economy showed signs of slower growth in 2001, and current short-term projections anticipate a continued slowing state economy for the next two years. Through the end of 2003, job growth is expected to average 1.6 percent, unemployment is expected to average 4.7 percent, and personal income growth is expected to average 4.8 percent. However, when compared to estimates of national job growth of only 0.7 percent and national unemployment rates in excess of 5 percent over the next two years, Utah's overall outlook appears better than the nation as a whole.

Industry Outlook. The State's construction boom lasted nearly twelve years and contributed to much of the economy's expansion during the last decade. However, the number of construction jobs is expected to decline 3.5 percent in 2001 and over 11 percent in 2002 as Olympic-related construction tapers off and other large projects are completed. Some of the projects finished or nearing completion this year include I-15 reconstruction, East-West light rail in Salt Lake County, the Gateway Project in Salt Lake City, and ski resort expansions at Park City, Solitude, Snow Basin, and The Canyons. Residential construction, government road projects, and expansion in the energy sector could help ease declines in construction employment in the near future.

Service industries remain the largest source of new jobs in the State with an increase of 6,100 positions from September 2000 to September 2001, a modest 1.9 percent climb. Gains in accounting, engineering, legal, agricultural, and recreational services have offset declines in business and computer services. The finance, insurance, and real estate sector is Utah's fastest growing industry with an employment expansion of 2,300 jobs, a 4 percent increase over the prior year. In contrast, manufacturing companies continue to suffer losses as a result of the national economic slowdown, decreasing 1,900 jobs, or 1.4 percent in the past year.

Government employment in Utah has increased by 5,600 jobs since September 2000, an increase of 3 percent. Two-thirds of the federal government's 1,200 new positions were civilian jobs at defense installations, and over one-half of the increase of 4,400 jobs in state and local governments were education-related positions for new professors, teachers, and administrators.



Source: Council of Economic Advisors

Olympics. The 2002 Olympic Winter Games are expected to have a positive impact on Utah's economy. Analysts estimate that between 1996 and 2003 the Games will generate \$4.5 billion in economic output, \$1.5 billion in earnings to Utah workers, 35,000 job-years of employment, and a net increase of 50,000 visitors per day. In addition, analysts forecast net revenue gains of \$55.5 million to state government and \$20.4 million to local governments from increased sales taxes, income taxes, departmental collections, and federal funds as a direct result of the Olympics. These net gains take into account additional costs for public services that will be required during the Games.

Demographics. Utah's population growth rate of 29.6 percent from 1990 to 2000 was more than twice that of the U.S. average and was the fourth fastest growing state in the country, exceeded only by Nevada, Arizona, and Colorado. With a median age of 27.1, and with one-third of the population under the age of 18, Utah is still the "youngest" state in the country. The State's young and well-educated work force has gained national recognition, making Utah an attractive site for business expansion and relocation.

2000 Census Highlights		
	Utah Statistic	National Rank
Total Population, April 1, 2000	2,233,169	34th
Increase over 1990	29.6%	4th
Median age	27.1 yrs	1st
Average household size	3.13 persons	1st
Average family size	3.57 persons	1st
Percent of family households	76.3%	1st
Percent of married-couple families	63.2%	1st
Fastest growing county	Summit	8th
Fastest growing city	Draper	n/a
Source: U.S. Census Bureau		

Utah's population is concentrated along a 100-mile stretch at the base of the Wasatch Mountains where 76 percent of the State's 2.3 million residents live in Salt Lake, Weber, Davis, and Utah counties. For 2001, total population growth will slow to 1.5 percent, compared to an average annual rate of 2.3 percent during the last 13 years. However, certain regions of the State will continue to expand quickly, and nine out of the ten fastest growing counties are not on the Wasatch Front. For example, population forecasts for the next decade estimate growth of 46 percent for Washington County, 40 percent for Wasatch County, and 32 percent for Wayne County.

Over the last 100 years, Utah's population has doubled about every 40 years, but the largest percent increase has occurred in the last ten years. Current projections show a population of 3 million in another 15 years, and the State could reach 5 million by the

year 2050. This growth has had a significant impact on the State's resources and life styles, and future growth will bring challenges that must be faced and managed. Pressures created by growth include higher housing prices, upward pressure on wages, and labor shortages. In addition, growth strains such as traffic congestion, air quality, and water development demand attention from state and local government leaders.

MAJOR INITIATIVES

Tax Cuts. In the last two years the Legislature has cut over \$50 million in taxes intended to provide tax relief for low-income residents and to stimulate economic growth. Tax cuts include the following:

Individual Income Taxes – The top individual income tax bracket increased from \$7,500 to \$8,626 and the bottom bracket increased from \$1,500 to \$1,726 for a taxpayer filing jointly or as head of household, and all other brackets were similarly adjusted. Also, low-income individuals whose federal adjusted gross income is less than the sum of their personal exemptions plus the standard deduction are now exempt from paying state income taxes. Finally, a taxpayer who adopts a child with a special need is eligible for a \$1,000 nonrefundable tax credit. These tax cuts are expected to reduce state income tax revenues by \$19 million per year.

Hospital Provider and Nursing Facility Taxes – Bed taxes for hospitals and nursing homes were repealed in 2000 and 2001, reducing state revenues by approximately \$10 million per year. Public health programs that were funded from these taxes received \$5.5 million from tobacco settlement funds and \$4.4 million from the General Fund to maintain current service levels.

Unemployment Taxes – Utah's low unemployment rate in the past several years resulted in a surplus in the Unemployment Trust Fund, making a tax cut possible. Utah employers will save approximately \$22.2 million over the next five years from the cuts.

Sales Tax Exemptions – Specific industries and groups will save approximately \$650 thousand over the next three years from sales tax exemptions designed to stimulate economic growth or encourage nonprofit-related activities.

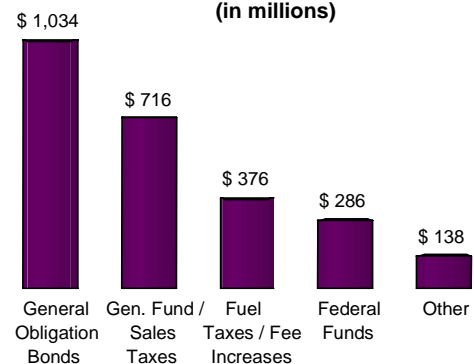
Education. The Governor and Legislature have linked the long-term success of Utah's economy to the success of the State's public and higher education systems. A new Engineering, Computer Science, and Technology Initiative seeks to double the number of engineering and computer science graduates at Utah's colleges and universities over the next five years and to triple them in eight years. Colleges received \$4 million for faculty incentives and technology upgrades to help achieve this aggressive goal. The public education system received \$9.9 million to train, attract, and retain highly qualified secondary teachers of mathematics, science, and computer science. Grants of up to \$20 thousand per teacher and scholarships for college students will be awarded competitively to persons who agree to teach these subjects in Utah secondary schools for at least four years.

The Governor and Legislature have also worked out a plan to restructure the State's applied technology education system by creating the Utah College of Applied Technology under the State Board of Regents and transferring funding for the college from the public and higher education systems. In addition to meeting its current goal of providing vocational and occupational training to adults and high school students, the new college will offer a competency-based associate of applied technology degree that will enhance students' job prospects upon graduation or allow them to pursue a four-year degree at a state college or university.

The Legislature recently collapsed over 20 specific public education programs into a few block grants to school districts to give local school boards and officials more flexibility to meet local needs and more responsibility for the results. School districts also received \$12.8 million for additional teacher professional development to improve the quality of teaching in our public schools. The State is expecting a substantial increase in the K-12 school age population beginning in 2004 and extending to at least 2015. Educating these children while maintaining a reasonable tax burden will be a major challenge for policy makers.

Transportation. The State's four-year \$1.6 billion I-15 reconstruction project was completed in July of 2001 on schedule and \$32 million under budget. The State now looks to other critical transportation needs. The first phase of the Legacy Parkway through Davis County began this summer and is expected to cost \$450 million over the next three years. Also, I-15 expansion in Utah County, a new I-15 interchange near Pleasant Grove, and I-80 expansion at Silver Creek Junction are all expected to be done within the next year. The Centennial Highway Fund was created to accumulate resources to fund these and 37 other highway projects. Funding comes from increased motor fuel taxes and vehicle registration fees, federal funds, sales tax revenues, and general obligation bonds. These Centennial Highway Fund projects are in addition to ongoing highway construction and maintenance in the Transportation Fund.

**Centennial Highway Fund
Funding Sources, FY 1998 - FY 2002
(in millions)**



Source: Governor's Office of Planning and Budget

Health and Human Services. The Children's Health Insurance Program (CHIP) pays for medical costs of children who are not eligible for Medicaid and cannot afford medical insurance. Services provided include routine physicals, immunizations, vision and hearing screening, dental services, hospital and lab services, and prescription drugs. Since its creation in 1998, CHIP has enrolled

over 25,000 children. The program received \$20.2 million from federal funds in fiscal year 2001 and expects to receive \$21.7 million in fiscal years 2002 and 2003. CHIP also receives \$5.5 million annually from tobacco settlement funds.

The Medicaid program has expanded its eligibility criteria to serve a larger number of people and to add new programs. Medicaid is now available to 18-year-olds whose family income is at or below the federal poverty level. Also, the Ticket to Work program allows approximately 300 disabled people to go to work and still keep their Medicaid benefits. In addition to the Medicaid program, the State offers a variety of public health services such as: the Primary Care Grant which pays for health care services for approximately 3,900 uninsured working poor adults; the Baby Watch Early Intervention program which enables infants and toddlers with disabilities and developmental delays to gain access to services that will help them get ready to attend school; and the Department of Health which uses \$4 million of tobacco settlement funds for programs aimed at prevention, education, reduction, and cessation of alcohol, tobacco, and other drug addictions.

The Department of Human Services received an additional \$6.3 million in 2001 to provide services to more people on the disabilities waiting list. With these funds, the Department was able to help an additional 385 disabled people with services such as assisted living, day treatment centers, in-home family assistance, and job coaching. The Department's 2002 budget includes another \$1.25 million for approximately 372 more people who still need similar services. Funding for these services has come from a combination of restricted funds, federal funds, and the General Fund.

Economic Development. The Legislature recently provided a one-time boost of \$6.9 million to the State's Industrial Assistance Fund to take advantage of opportunities to create new jobs at Utah companies. The fund provides loans to businesses seeking to expand in the State. Borrowers meeting certain job-creation targets do not need to repay their loans. The Governor and the Legislature also created a Utah Technology Alliance to entice high-tech firms to "grow out" in Utah and to provide matching grants for rural communities to build space for the relocation of high-tech firms. Combined with specialized training funds through the Custom Fit program and numerous industry-specific tax exemptions, the State's economic development incentives make Utah an attractive site for all types of business relocation and expansion.

Environment. The Governor and the Legislature recently provided funds and created laws aimed at keeping high-level nuclear waste out of Utah. The Department of Environmental Quality received \$1.1 million to create a nuclear waste opposition office to lead the legal battle against companies that want to store their radioactive waste in Utah. New state laws forbid the placement of high-level nuclear waste within the borders of the State and prohibit government entities and private companies from providing services or infrastructure that would facilitate the placement of this waste within the State.

FINANCIAL INFORMATION

Internal Control. The State's systems of internal control over assets recorded in the accounting system have been designed to provide reasonable, but not absolute, assurance of the safeguarding of assets against loss from unauthorized use or disposition and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary Control. The State Constitution requires that budgeted expenditures cannot exceed estimated revenues and other sources of funding, including beginning fund balances. Annually, the Governor is required to submit a balanced budget to the Legislature. The Legislature authorizes expenditures in the annual state *Appropriations Acts*. The Acts also identify the sources of funding for budgeted expenditures. The budget is generally prepared on a basis consistent with generally accepted accounting principles, except accounting for certain intrafund activity. In the event actual revenues are insufficient to cover budgeted expenditures, the Governor must order budget reductions. Adjustments to the budget may also be made throughout the year for changes in departmental revenues or fund revenues so that departments and funds will not end the fiscal year in deficit positions.

During fiscal year 2001, supplemental appropriations of \$144.1 million were made for capital projects and \$70.1 million were made to enhance existing programs. The supplemental appropriations were possible because of increases in estimated unrestricted revenue and unreserved fund balances from the prior year. However, due to decreases in revenue estimates prior to yearend, the Governor reduced the budgetary allotments related to supplemental appropriations for capital projects by \$56.6 million to avoid ending the fiscal year with a deficit. The capital projects that were put on hold included four buildings on higher education campuses, one applied technology center building purchase, and \$5 million for state park renovations.

The latest revenue forecasts for fiscal year 2002 have also declined from previous estimates, forcing the delay of several more capital projects and a reduction of approximately 2 percent in state agencies' operating budgets, with the exception of the State's Minimum School Program (support for local school districts), effective July 2001. In October, a second round of budget cuts was announced which will require agencies to cut another 1 to 2 percent of their operating budgets. The Minimum School Program, Higher

Education, and Public Safety were not included in this second round of budget reductions. The State's \$120 million Budgetary Reserve Account (Rainy Day Fund) is available to cover operating deficits; however, use of the fund requires legislative approval.

The State has an appropriation limitation statute that limits the growth in state appropriations in two ways. First, as population, personal income, and inflation increase, appropriations are allowed to increase only at the same relative rate. Second, the state-mandated property tax rate, which funds a portion of public education at the local level, is capped at the level set July 1, 1989. The appropriations limitation can be exceeded only if a fiscal emergency is declared and approved by more than two-thirds of both houses of the Legislature, or if approved by a vote of the people. However, the appropriations limitation statute may be amended by a majority of both houses of the Legislature. Appropriations for construction of capital facilities and Centennial Highway projects, appropriations for debt service, and transfers to the Budgetary Reserve Account (Rainy Day Fund) are exempt from the appropriations limitation. Beginning in 2003, appropriations of unrestricted revenues to the Centennial Highway Fund will no longer be excluded from the appropriations limitation calculation.

For the fiscal year ended June 30, 2001, the State was \$105 million below the appropriations limitation. The State is currently below the fiscal year 2002 appropriations limitation by \$108 million.

General Governmental Functions. General governmental functions are accounted for in the General Fund, the Special Revenue Funds, the Capital Projects Funds, the Debt Service Funds, the General Long-Term Obligation Account Group, and the General Fixed Assets Account Group.

Revenues. Total revenue for general governmental functions totaled \$6.21 billion in fiscal year 2001, an increase of 3.7 percent over fiscal year 2000. This does not include bond proceeds, beginning fund balances, or other financing sources that are used to pay governmental fund expenditures. The amounts of revenue from various sources and the changes from last year are as follows:

General Governmental Revenues (Expressed in Thousands)				
Revenue Source	Fiscal Year	Percent of Total	Increase / (Decrease) From Fiscal Year 2000	
	2001 Amount		Amount	Percent
Sales Tax	\$ 1,465,301	23.6%	\$ 64,339	4.6%
Individual Income Tax.....	1,712,676	27.6	57,727	3.5
Corporate Income Tax	183,141	2.9	(3,795)	(2.0)
Motor and Special Fuel Tax	310,000	5.0	(4,164)	(1.3)
Licenses, Permits, and Fees	91,875	1.5	(425)	(0.5)
Investment Income.....	65,068	1.0	9,264	16.6
Federal Revenues.....	1,708,087	27.5	132,479	8.4
Other Taxes and Revenue	676,881	10.9	(36,618)	(5.1)
Total.....	<u>\$ 6,213,029</u>	<u>100.0%</u>	<u>\$ 218,807</u>	<u>3.7%</u>

The growth in sales tax was the result of healthy consumer spending. Through the end of calendar year 2000, retail sales in Utah were up 4.8 percent over the previous year. Analysts predict much slower growth of 2 percent for 2001 and 3 percent for 2002, but by 2003 retail sales are expected to be up 4.3 percent as the State begins to recover from this short-term lull.

Despite the current slowing economy, individual income tax revenues were still 3.5 percent above the prior year as the State reaped the residual effects of significant growth in income and wages during calendar year 2000. Personal income and nonagricultural wages increased 6.7 percent and 7.4 percent, respectively, mostly as a result of larger than normal capital gains. Corporate profits fell for a third year in a row, however, as Utah companies began to suffer the effects of the slowing national economy.

Higher gasoline prices, slower construction activity, and a decline in tourism in southern Utah combined to keep motor and special fuel tax collections essentially flat during 2001. The State also refunded nearly \$8.2 million to a large fuel distributor that had overpaid fuel taxes over a period of 15 months.

The increase in investment income is due to higher balances of unrestricted cash in the General Fund. For the year, the average pool rate was 5.98 percent, and at June 30, 2001, the weighted-average pool rate was 4.42 percent.

Several programs received more federal money this year than last. Due to increased expenditures, federal revenues for Medicaid increased approximately \$61.4 million, including \$7.7 million more for the Children's Health Insurance Program. Highway projects

brought an additional \$34.1 million, mostly to complete the I-15 reconstruction project. A renewed concern at the federal level over high energy costs resulted in \$9 million more for federal Low-Income Home Energy and Weatherization Assistance programs. Local school districts received \$11.6 million more for reading, drug-free, and special education programs, all of which came through the State's public education budget as pass-through funds. An additional \$7.1 million of federal funds was received for the Department of Environmental Quality's revolving loan programs for local government drinking water and wastewater projects. Finally, federal commodities for vaccines and food nutrition programs added \$4 million in new federal revenues.

The decrease in other taxes and revenue is actually due to an anomaly in the prior fiscal year when the State received a one-time inheritance tax windfall of approximately \$65 million. Inheritance tax revenues in 2001 were \$30 million, a decrease of \$35 million from 2000, but these tax collections were still well above the original budget expectation of only \$9 million. The remainder of the change from 2000 is a combination of smaller increases and decreases in various revenue sources, including higher mine occupation taxes and mineral lease royalties, lower insurance premium taxes, and lower intergovernmental revenues from colleges and universities for capital facilities.

Expenditures. Total expenditures and other uses for general governmental functions totaled \$6.23 billion, an increase of 4.2 percent over 2000. This does not include transfers made to other funds except General Fund appropriations transferred to the colleges and universities, which are included in the table below as higher education expenditures. State government expenditures by function and the changes from last year are as follows:

General Government Expenditures
(Expressed in Thousands)

Function	Fiscal Year 2001 Amount	Percent of Total	Increase / (Decrease) From Fiscal Year 2000	
			Amount	Percent
General Government	\$ 263,588	4.2%	\$ 2,459	0.9%
Education:				
Public	1,951,517	31.3	127,210	7.0
Higher	569,722	9.1	38,358	7.2
Human Services, Workforce Services, Health, Environmental Quality, and Corrections.....	1,900,173	30.5	113,104	6.3
Transportation and Public Safety	998,652	16.0	(5,632)	(0.6)
Natural Resources.....	104,859	1.7	7,273	7.5
Community and Economic Development	83,526	1.4	6,221	8.0
Business, Labor, and Agriculture	49,672	0.8	3,117	6.7
Debt Service	158,886	2.5	612	0.4
Capital Projects	153,126	2.5	(38,693)	(20.2)
Total	<u>\$6,233,721</u>	<u>100.0%</u>	<u>\$ 254,029</u>	4.2%

Expenditures for public and higher education are the largest use of state revenues. The increase of 7 percent for public education is mainly a result of the Legislature's \$86.9 million, or 5.5 percent, increase in the Weighted Pupil Unit (WPU) and a one-time boost of \$34.2 million to help local school districts replace worn-out and outdated textbooks and supplies. The WPU supports teacher salaries and other operation and maintenance costs of local school districts. Other increases stem from federal pass-through funds that went to schools for reading, drug-free, and special education programs. Most of the increase in higher education is due to a \$28.8 million, or 5 percent, compensation increase for faculty and staff designed to address salary inequities with peer institutions and the private sector. The State's colleges and universities also received approximately \$9.8 million for enrollment growth.

Increasing health care costs added \$85.9 million to Medicaid and Medical Assistance expenditures at the Department of Health. Drug cost increases of 16 percent, combined with increased utilization of services and reductions in the federal matching rate continue to require a larger portion of state funds for this program. The Children's Health Insurance Program also saw an increase of \$8 million in expenditures as the program's enrollment went up by over 6,000 children, or 32 percent. The Department of Human Services spent an additional \$4.1 million from the prior year to serve an additional 385 people who were waiting for special services from the Division of Services for People With Disabilities. The State Hospital's costs also increased by \$5.2 million as it opened the final wing of its new forensics building and hired over 100 employees to staff the facility. The Department of Environmental Quality spent \$4.4 million to clean up a contaminated residential site in Tooele County that was on the federal EPA's national priority list. Finally, Corrections costs increased \$8.1 million as it expanded its jail reimbursement and contracting programs and provided salary increases for employees and contract medical personnel.

The Department of Natural Resources spent \$3.6 million more purchasing permanent conservation easements on private property. This Legacy Program is designed to protect pristine land from future development and is funded entirely by the federal government. The department also spent \$1.5 million more fighting wildfires this year and nearly \$2 million more for capital construction and improvements at state parks, fish hatcheries, shooting ranges, and other facilities.

The Department of Community and Economic Development spent \$9 million more than last year for Low-Income Home Energy and Weatherization Assistance programs. Concerns over last winter's higher costs for heating fuel and potential energy shortages prompted Congress to boost most states' funding for these programs. These increases were offset by a \$2.7 million decrease in expenditures in the Sports Authority Special Revenue Fund. In prior years, this fund accounted for expenditures related to construction of Olympic facilities. With the completion and sale of those facilities to the Salt Lake Organizing Committee last year, the Authority's activities were focused on promoting Utah as a winter sports center and did not require major capital outlays.

Capital project expenditures were down this year due to slower construction activity on higher education campuses. For the last two years, the Legislature has scaled back the amount of bonds authorized for capital facilities. As a result, higher education institutions are seeking more donations and setting aside more institutional funds to meet their capital facility needs.

Fund Balances. Each fund of the State maintains an equity position that is either restricted by state law, restricted by contract, or is unreserved and available for future appropriation. The equity positions of the State's major governmental funds are as follows:

		Major Special Revenue Funds		
	General Fund	Uniform School Fund	Transportation Fund	Centennial Highway Fund
Fund Balance:				
Reserved and Designated	\$ 696,453	\$ 217,921	\$ 38,881	\$ 63,933
Unreserved Undesignated.....	11,614	824	56,421	—
Total Fund Balance	\$ 708,067	\$ 218,745	\$ 95,302	\$ 63,933

The reserved and designated fund balance in the General Fund includes \$120 million designated for the Budgetary Reserve Account.

Cash Management. Cash is controlled by the State Treasurer or by other administrative bodies as specified by law. Investments are made in compliance with the State Money Management Act (*Utah Code*, Section 51–7). All cash deposited with the State Treasurer by state entities is managed in pooled investment funds to safeguard assets and to maximize interest earnings. The Treasurer invests the cash, including the cash float, in short-term securities and other investments such as certificates of deposit, obligations of the U.S. Treasury, commercial paper, and repurchase agreements. Certain investment pools may invest in corporate bonds and equity securities.

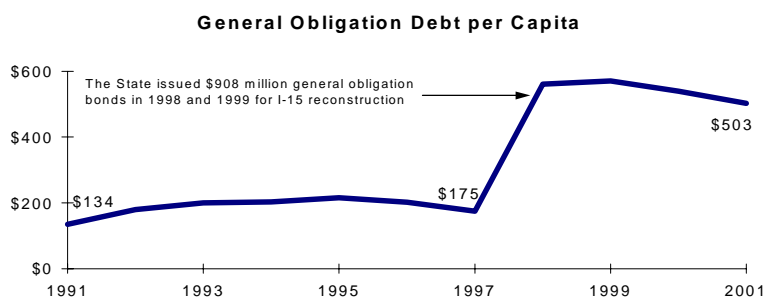
Deposits of \$4.1 million for the primary government and \$3.7 million for component units are insured by the Federal Deposit Insurance Corporation or by collateral held by the State's agent in the name of the State. The remaining deposits are uninsured and uncollateralized. The State does not require collateral on deposits. However, the State Commissioner of Financial Institutions monitors financial institutions monthly and establishes limits for deposits of public money for each institution. The State Treasurer's pool yields were between 3.8 percent and 7.3 percent at June 30, 2001. Variations in yield were usually due to the long or short-term nature of the pools and to changing interest rates nationally.

Risk Management. The State is self-insured against certain property and liability claims. The Legislature established the Risk Management Fund to pay for commercial insurance or to accumulate reserves for the self-insured portion of certain property and liability risks. Revenues are generated from premiums charged to state departments, institutions of higher education, and local school districts.

The property self-insurance limits for fiscal year 2001 were \$1 million per claim, with an annual aggregate of \$2.5 million per policy year. Generally, claims over the self-insured limits are covered by policies with private insurance companies.

Debt Administration. The Constitution limits outstanding state general obligation debt to 1.5 percent of the value of all taxable property in the State. State law also restricts outstanding state general obligation debt to no more than 20 percent of the appropriations limit. The Legislature has exempted \$908 million of general obligation highway bonds from the statutory debt limit. As of June 30, 2001, the State was \$522 million below the statutory debt limit and \$1.14 billion below the debt limit established in the Constitution.

The State continues to enjoy a triple “A” rating on general obligation bonds and a double “A” rating on revenue-type bonds from Moody’s Investors Service Inc., Standard & Poor’s Corporation, and Fitch IBCA Inc. These are the best ratings available and save the State millions of dollars in interest on general obligation and revenue-type bonds. During fiscal year 2001, the State issued \$15 million in general obligation bonds for construction and renovation of various capital facilities.



Compensated Absences and Postemployment Benefits. In fiscal year 1994 Utah became the first state to recognize and fund its liabilities for compensated absences and postemployment benefits. The funding for the liability came from the acceleration of tax revenue recognition as a result of implementing new accounting standards. Compensated absences and postemployment benefits are also funded with an accrual of the federal receivable for the federal share of the liability. Ongoing funding is charged to agency budgets as benefits are earned. As of June 30, 2001, the liability for compensated absences and postemployment benefits was \$199.7 million in the General Fund, \$21 million in the Uniform School Fund, and \$39.6 million in the Transportation Fund. The unfunded portion of the liability totaling \$41.2 million is reported in the General Long-Term Obligation Account Group.

Enterprise Funds. The Enterprise Funds are comprised of governmental and quasi-governmental agencies providing goods and services to the public on a charge-for-services basis. The Student Assistance Programs are a major part of the Enterprise Funds. These programs issue their own debt, and debt repayments are funded through loan service fees, interest earnings, and federal aid.

The Alcoholic Beverage Control Fund controls the sale of alcoholic beverages in the State, and the profits received from these sales are transferred to the General Fund. Net income from operations totaled \$30.8 million in fiscal year 2001, an increase of \$1.6 million, or 5.5 percent, from 2000. In addition, sales tax and school lunch tax collected on liquor sales were \$7.8 million and \$14.9 million, a combined increase of 5.6 percent from 2000.

Internal Service Funds. The Internal Service Funds provide services to state and local governments and are financed through user charges. Funds attempt to operate on a break-even basis. Rates are adjusted annually for over or under-recovery of costs. The State’s self-insurance program, Risk Management, operates as an Internal Service Fund. The Fund has sufficient current operating reserves and is funded for losses based on actuarial estimates.

Pension Trust Funds. Operations of the Utah Retirement Systems have continued with favorable results. The retirement systems and plans are actuarially sound, and the funding levels are managed to provide participants a financially sound retirement.

Future Changes in Accounting Standards. The Governmental Accounting Standards Board has issued new accounting and reporting standards that will be effective for fiscal year 2002. These new standards will impact the State’s revenue and expenditure recognition and change the way the State reports assets, liabilities, and fund equity. The new standards will also require reformatting of the financial statements and restating of beginning balances. The State will implement the new standards for fiscal year 2002.

INDEPENDENT AUDIT

In compliance with state statute, an annual financial audit of the “State Entity” is completed each year by the Utah State Auditor’s Office in conjunction with other audit firms. Their audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Their report on the general purpose financial statements has been included in the Financial Section of this report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to the State of Utah for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000. This is the sixteenth year in a row the State has received this award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe this report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA. We are committed to this effort, and we intend to maintain a highly qualified and professional staff to make this certification possible.

CONCLUSION

We hope this report provides data useful in evaluating the financial activity of the State of Utah. We express our appreciation to the budget and accounting officers throughout state government and to the State Auditor's Office for their dedicated efforts in assisting us in the preparation of this report.

Sincerely,

A handwritten signature in black ink, reading "Kim S. Thorne". The signature is written in a cursive, flowing style.

Kim S. Thorne, CPA
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of
Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Thomas D. Brown
President

Jeffrey L. Esser
Executive Director

STATE OF UTAH

FINANCIAL HIGHLIGHTS

FUND EQUITY SUMMARY

GENERAL AND SPECIAL REVENUE FUNDS

June 30, 2001

(Expressed in Thousands)

	General Fund	Special Revenue Funds	Total
Fund Equity Reserved			
Nonlapsing Appropriations:			
Community and Economic Development	\$ 6,421	\$ —	\$ 6,421
Natural Resources – Parks and Recreation	14,524	—	14,524
Natural Resources – Except Parks	8,818	—	8,818
Legislature	3,254	—	3,254
Administrative Services	3,247	—	3,247
Public Safety	5,240	—	5,240
Environmental Quality	1,822	—	1,822
Governor's Office	9,762	—	9,762
Business, Labor, and Agriculture	8,583	—	8,583
Department of Corrections	2,311	—	2,311
Tax Commission	7,239	—	7,239
Department of Health	8,199	—	8,199
USF Minimum School Program	—	19,556	19,556
USF Office of Education	—	6,005	6,005
DOT Sidewalk Construction	—	1,490	1,490
Miscellaneous Other	8,106	3,480	11,586
Total Nonlapsing	87,526	30,531	118,057
Restricted Fund Balances:			
Water Pollution Loans	187,626	—	187,626
Safe Drinking Water Loans	56,493	—	56,493
Housing Development Loans	46,210	—	46,210
Tobacco Settlement Funds	13,609	—	13,609
Tax Commission – Administration	7,957	—	7,957
Oil Overcharge Account	9,882	—	9,882
Industrial Assistance	18,195	—	18,195
Medicaid Restricted	5,770	—	5,770
Workforce Services Special Administration	8,308	—	8,308
Public Safety Accounts	5,169	—	5,169
Wildlife Resources Restricted	10,355	—	10,355
Natural Resources – Except Wildlife	5,774	—	5,774
USF School Building Loans	—	10,328	10,328
USF Applied Technology Centers	—	4,059	4,059
USF School Land Interest	—	4,006	4,006
DOT Corridor Preservation	—	15,696	15,696
DOT Aeronautics	—	6,105	6,105
Centennial Highway Fund	—	63,933	63,933
Advances to Internal Service Funds	24,322	—	24,322
Miscellaneous Other	21,766	6,536	28,302
Total Restricted Funds	421,436	110,663	532,099
Total Fund Equity Reserved	508,962	141,194	650,156
Unreserved Designated			
Rainy Day Reserve Account	120,330	—	120,330
Net Accrued Taxes	—	146,811	146,811
For Fiscal Year 2002 Appropriations	67,161	33,679	100,840
Unreserved Undesignated	11,614	86,862	98,476
Total Fund Equity	<u>\$ 708,067</u>	<u>\$ 408,546</u>	<u>\$ 1,116,613</u>

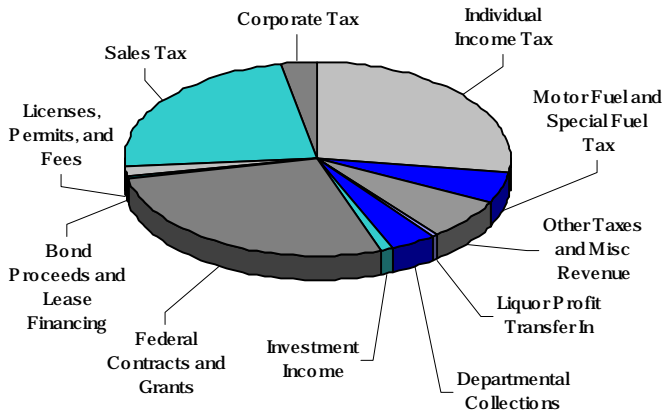
STATE OF UTAH

FINANCIAL HIGHLIGHTS

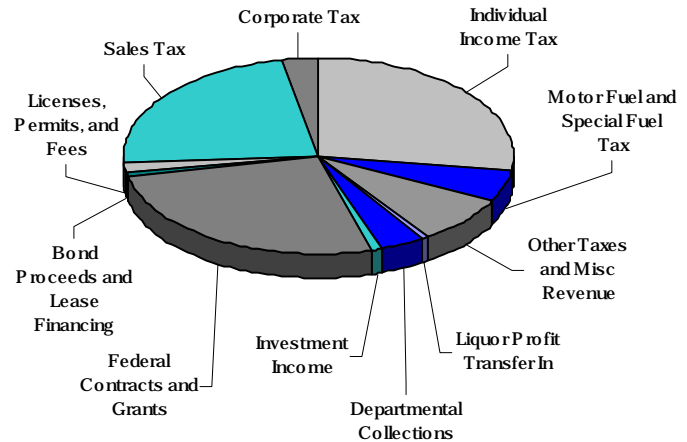
REVENUES AND OTHER SOURCES

GOVERNMENTAL FUND TYPES ONLY

(Expressed in Thousands)



June 30, 2001



June 30, 2000

Revenues and Other Sources

Revenues and Other Sources	Fiscal Year Ended June 30			
	2001		2000	
	Amount	Percent of Total	Amount	Percent of Total
Sales Tax	\$ 1,465,301	23.4%	\$ 1,400,962	23.1%
Federal Contracts and Grants	1,708,087	27.3	1,575,608	26.0
Individual Income Tax	1,712,676	27.3	1,654,949	27.2
Other Taxes and Miscellaneous Revenue	439,895	7.0	495,878	8.2
Motor and Special Fuel Tax	310,000	5.0	314,164	5.2
Departmental Collections	236,986	3.8	217,621	3.6
Corporate Tax	183,141	2.9	186,936	3.1
Investment Income	65,068	1.0	55,804	0.9
Licenses, Permits, and Fees	91,875	1.5	92,300	1.5
Total Revenues	6,213,029	99.2	5,994,222	98.8
Other Sources (A):				
Liquor Profit Transfer In	30,253	0.5	28,659	0.5
Bond Proceeds and Lease Financing	18,443	0.3	45,165	0.7
Total Revenues and Other Sources	<u>\$ 6,261,725</u>	<u>100.0%</u>	<u>\$ 6,068,046</u>	<u>100.0%</u>

(A) Note: This does not include various Trust Fund and Internal Service Fund revenues which are reflected in the General Fund and Special Revenue Funds as transfers in.

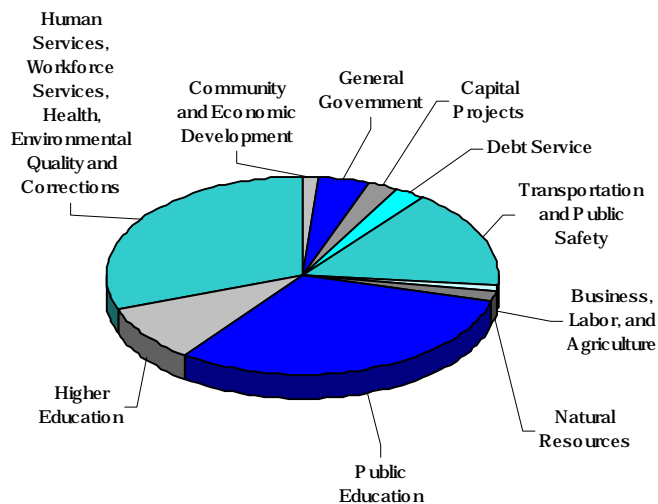
STATE OF UTAH

FINANCIAL HIGHLIGHTS

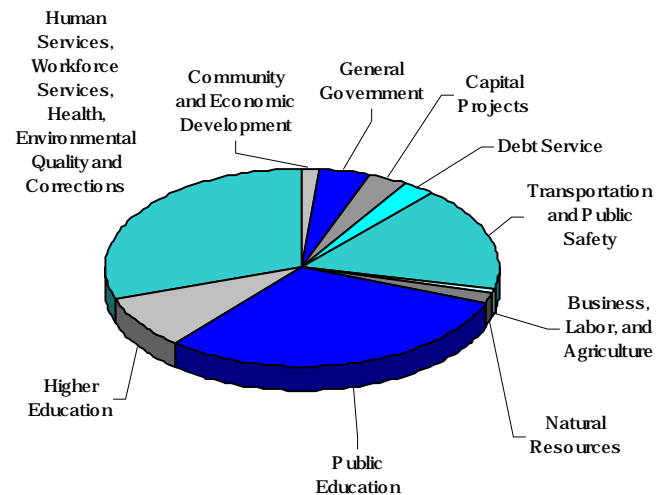
EXPENDITURES BY FUNCTION

GOVERNMENTAL FUND TYPES ONLY

(Expressed in Thousands)



June 30, 2001



June 30, 2000

Expenditures by Function

Expenditures by Function	Fiscal Year Ended June 30			
	2001		2000	
	Amount	Percent of Total	Amount	Percent of Total
Education:				
Public.....	\$ 1,951,517	31.3%	\$ 1,824,307	30.5
Higher.....	569,722	9.1	531,364	8.9
Human Services, Workforce Services, Health, Environmental Quality, and Corrections	1,900,173	30.5	1,787,069	29.9
Transportation and Public Safety	998,652	16.0	1,004,284	16.8
General Government.....	263,588	4.2	261,129	4.4
Debt Service	158,886	2.5	158,274	2.6
Capital Projects	153,126	2.5	191,819	3.2
Natural Resources.....	104,859	1.7	97,586	1.6
Community and Economic Development.....	83,526	1.4	77,305	1.3
Business, Labor, and Agriculture	49,672	0.8	46,555	0.8
Total Expenditures (A)	<u>\$ 6,233,721</u>	<u>100.0%</u>	<u>\$ 5,979,692</u>	<u>100.0%</u>

(A) Note: This does not include transfers made to other funds, except General Fund appropriations transferred to the colleges and universities which are included as higher education expenditures.

STATE OF UTAH

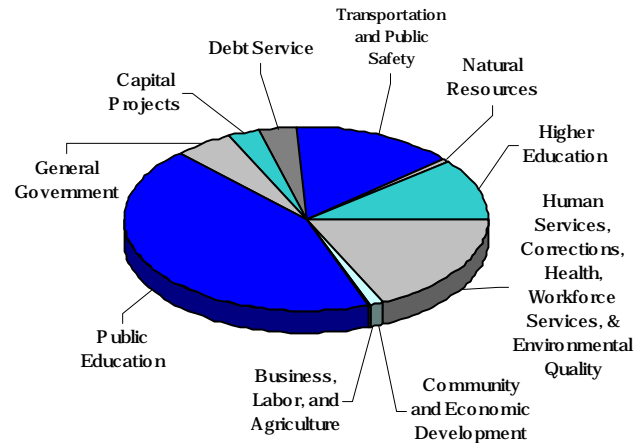
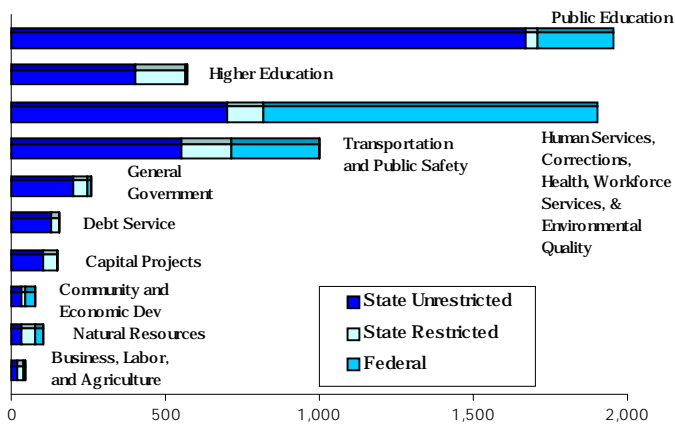
FINANCIAL HIGHLIGHTS

EXPENDITURES BY SOURCE

GOVERNMENTAL FUND TYPES ONLY

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)



Expenditures of Unrestricted State Tax Sources

Expenditures by Source 2001

	Federal Sources	Percent of Total	Unrestricted State Tax Sources	Percent of Total	Restricted Fees and Other Sources	Percent of Total	Total Expenditures All Sources	Percent of Total
Education:								
Public	\$ 246,925	14.6%	\$ 1,669,677	43.2%	\$ 34,915	5.2%	\$ 1,951,517	31.3%
Higher	598	0.0	404,393	10.4	164,731	24.4	569,722	9.1
Human Services, Workforce Services, Health, Environmental Quality, and Corrections	1,081,828	64.0	702,162	18.2	116,183	17.2	1,900,173	30.5
Transportation and Public Safety	283,676	16.8	555,471	14.4	159,505	23.7	998,652	16.0
General Government	16,914	1.0	205,530	5.3	41,144	6.1	263,588	4.2
Debt Service	—	0.0	135,165	3.5	23,721	3.5	158,886	2.5
Capital Projects	—	0.0	104,602	2.7	48,524	7.2	153,126	2.5
Community and Economic Development	34,984	2.1	34,070	0.9	14,472	2.2	83,526	1.4
Natural Resources	22,383	1.3	36,190	0.9	46,286	6.9	104,859	1.7
Business, Labor, and Agriculture	4,348	0.2	20,848	0.5	24,476	3.6	49,672	0.8
Total	1,691,656	100.0%	\$ 3,868,108	100.0%	\$ 673,957	100.0%	\$ 6,233,721	100.0%
Other Federal Revenue for Loans and Nonexpended Programs	16,431							
Total Federal Revenue	\$ 1,708,087							

STATE OF UTAH

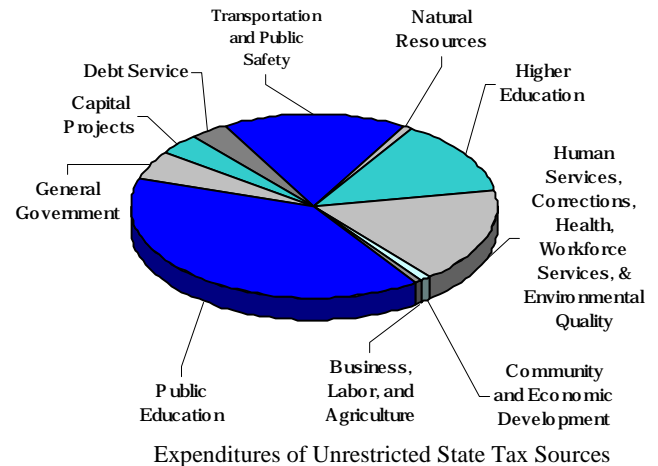
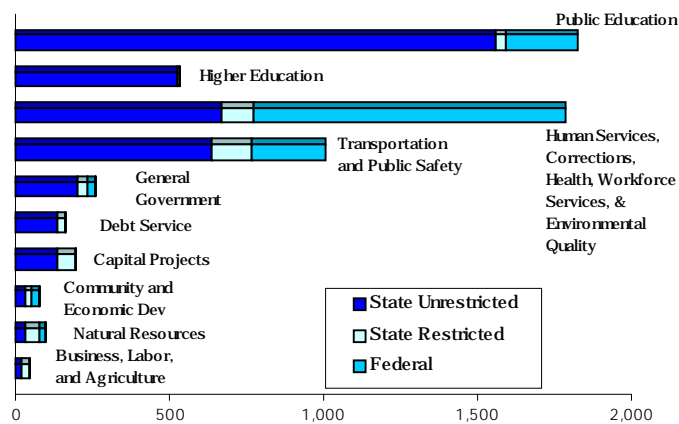
FINANCIAL HIGHLIGHTS

EXPENDITURES BY SOURCE

GOVERNMENTAL FUND TYPES ONLY

For the Fiscal Year Ended June 30, 2000

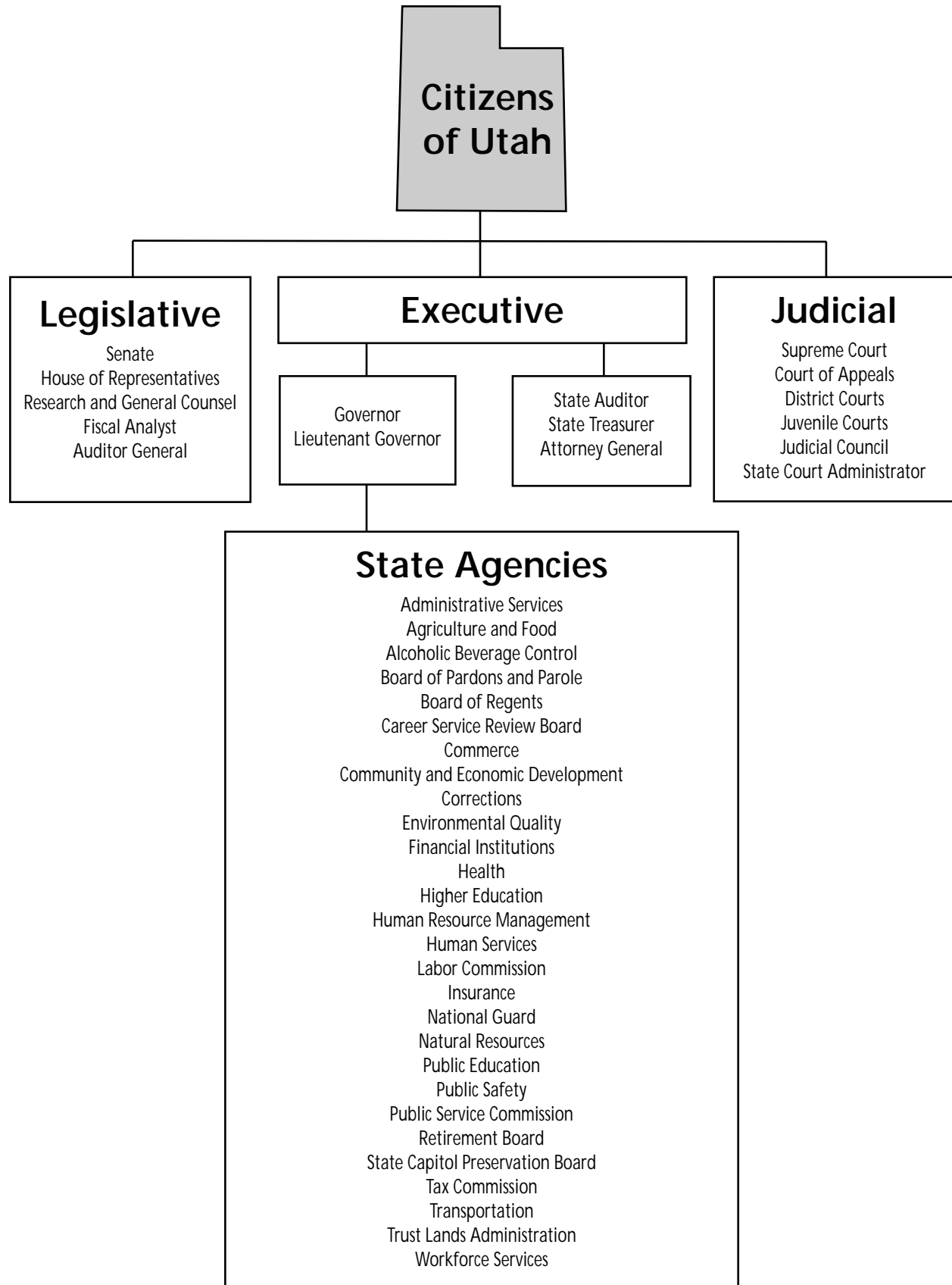
(Expressed in Thousands)



Expenditures by Source 2000

	Federal Sources	Percent of Total	Unrestricted State Tax Sources	Percent of Total	Restricted Fees and Other Sources	Percent of Total	Total Expenditures All Sources	Percent of Total
Education:								
Public.....	\$ 235,065	15.0%	\$ 1,558,059	39.4%	\$ 31,183	6.8%	\$ 1,824,307	30.5%
Higher.....	462	0.0	528,380	13.4	2,522	0.5	531,364	8.9
Human Services, Workforce Services, Health, Environmental Quality, and Corrections.....	1,015,199	64.7	668,148	16.9	103,722	22.6	1,787,069	29.9
Transportation and Public Safety.....	241,448	15.4	636,648	16.1	126,188	27.5	1,004,284	16.8
General Government.....	27,625	1.7	201,356	5.1	32,148	7.0	261,129	4.4
Debt Service	—	0.0	134,660	3.4	23,614	5.2	158,274	2.6
Capital Projects	—	0.0	138,267	3.5	53,552	11.7	191,819	3.2
Community and Economic Development.....	26,508	1.7	33,854	0.9	16,943	3.7	77,305	1.3
Natural Resources.....	19,014	1.2	32,788	0.8	45,784	10.0	97,586	1.6
Business, Labor, and Agriculture.....	4,121	0.3	19,713	0.5	22,721	5.0	46,555	0.8
Total	1,569,442	100.0%	\$ 3,951,873	100.0%	\$ 458,377	100.0%	\$ 5,979,692	100.0%
Other Federal Revenue for Loans and Nonexpended Programs.....	6,166							
Total Federal Revenue.....	\$ 1,575,608							

State of Utah Organization Chart



State of Utah

*Welcoming
the World...*

Comprehensive Annual Financial Report

For the
Fiscal Year Ended
June 30, 2001

SALT LAKE 2002
light the fire within



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

Michael O. Leavitt Governor
Olene S. Walker Lt. Governor
Auston G. Johnson, CPA State Auditor
Edward T. Alter, CPA State Treasurer
Mark L. Shurtleff Attorney General
L. Alma "Al" Mansell President of the Senate
Martin R. Stephens Speaker of the House
Richard C. Howe Chief Justice, Supreme Court

OTHER STATE OFFICIALS

Raylene G. Ireland Executive Director, Dept. of Administrative Services
Kim S. Thorne, CPA Director, Division of Finance
Lynne N. Ward, CPA Director, Office of Planning and Budget
John E. Massey Legislative Fiscal Analyst
Wayne L. Welsh, CPA Legislative Auditor General
Michael E. Christensen Director, Legislative Research and General Counsel

ACKNOWLEDGMENTS

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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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STATE OF UTAH

FINANCIAL SECTION



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INDEPENDENT STATE AUDITOR'S REPORT

To the Members of the Legislature
of the State of Utah and
The Honorable Michael O. Leavitt
Governor, State of Utah

We have audited the accompanying general-purpose financial statements of the State of Utah as of and for the year ended June 30, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of Utah Public Employees Group Insurance, which represents 22 percent of the assets and 60 percent of the operating revenues of the internal service funds; the Utah State Retirement Office, which represents 80 percent of the assets of the trust and agency funds, 100 percent of the additions to net assets of the pension trust funds, and 1 percent of the revenues of the expendable trust funds; the Utah Housing Corporation, which represents 98 percent of the assets and 87 percent of the operating revenues of the proprietary component unit funds; and Utah State University, Southern Utah University, Utah Valley State College, Dixie State College, and the University of Utah's hospital, health network clinics, foundations, and institutes, which combined represent 33 percent of the assets and 50 percent of the revenues and other additions of the college and university component unit funds. Those financial statements were audited by other auditors whose reports have been furnished to us; and our opinion, insofar as it relates to the amounts included for those agencies, funds, and component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Utah as of June 30, 2001, and the results of its operations, the cash flows of its proprietary fund types and nonexpendable trust fund, the changes in net assets of its pension trust funds and investment trust fund, and the changes in fund balances and current funds revenues, expenditures, and other changes of the college and university funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Members of the Legislature
of the State of Utah and
The Honorable Michael O. Leavitt
Governor, State of Utah
Page 2

As discussed in Note 2 to the general-purpose financial statements, the State changed its method of accounting for certain assets and revenues to comply with the requirements of Government Accounting Standards Board (GASB) Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. In addition, as discussed in Note 1. W. to the general-purpose financial statements, the State has elected not to early implement certain other GASB statements. Those statements will be implemented for the year ended June 30, 2002, and will have a significant impact on the State's revenue and expenditure recognition and assets, liabilities, and fund equity reporting. Note 2 to the general-purpose financial statements also explains certain changes to the reporting of discretely presented component units in the general-purpose financial statements.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of the State of Utah taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the State of Utah. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

The statistical data listed in the table of contents were not audited by us and, accordingly, we express no opinion thereon.

In accordance with *Government Auditing Standards*, we have also issued our report, dated November 2, 2001, on our consideration of the State's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

A handwritten signature in black ink, appearing to read "Austin Johnson". The signature is fluid and cursive, with a large initial "A" and a long, sweeping underline.

UTAH STATE AUDITOR
November 2, 2001

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STATE OF UTAH

GENERAL PURPOSE FINANCIAL STATEMENTS

STATE OF UTAH

COMBINED BALANCE SHEET

ALL FUND TYPES, ACCOUNT GROUPS, AND

DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2001

(Expressed in Thousands)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service
Assets						
Cash and Cash Equivalents (Note 1, 3)	\$ 170,431	\$ 270,795	\$ 116,289	\$ 29,321	\$ 89,366	\$ 40,087
Investments (Notes 1, 3, 16)	240,415	49,109	19,088	4,953	221,527	220,282
Receivables: (Note 1)						
Accounts, Net (Note 16)	403,160	116,831	17	—	12,064	21,485
Notes/Mortgages	216,644	63,706	—	—	983,302	348,963
Accrued Interest	1,907	—	—	45	21,421	9,143
Designated Accrued Taxes, Net	200,671	347,866	—	—	—	—
Unbilled	—	3,407	—	—	—	—
Due From Other Funds (Note 5)	39,889	74,440	867	13	2,006	14,454
Due From Component Units (Note 5)	—	—	13,324	16,615	—	—
Due From Primary Government (Note 5)	—	—	—	—	—	—
Advances to Other Funds	24,322	—	—	—	100	2,478
Inventories	582	8,146	—	—	15,778	3,832
Prepaid Items	—	—	—	—	674	8,471
Deferred Charges	—	—	—	—	6,545	—
Fixed Assets — net, where applicable, of accumulated depreciation (Note 1, 6)	—	—	—	—	32,989	92,519
Amount Available in Debt Service Fund	—	—	—	—	—	—
Resources to be Provided in Future Years For:						
Retirement of General Obligation Bonds	—	—	—	—	—	—
Other General Long-Term Obligations	—	—	—	—	—	—
Total Assets	\$ 1,298,021	\$ 934,300	\$ 149,585	\$ 50,947	\$ 1,385,772	\$ 761,714
Liabilities, Equity, and Other Credits						
Liabilities:						
Vouchers Payable	\$ 167,653	\$ 120,799	\$ —	\$ 96	\$ 12,725	\$ 11,589
Contracts Payable	—	—	18,881	—	168	—
Accrued Liabilities	54,892	13,221	—	22,591	54,243	7,650
Securities Lending Liability (Note 3)	—	—	—	—	—	36,288
Deposits	—	—	—	—	—	—
Due to Other Funds (Note 5)	9,343	86,332	2,281	170	15,867	24,919
Due to Component Units (Note 5)	359	—	—	—	—	795
Due to Primary Government (Note 5)	—	—	—	—	—	—
Due to Other Individuals or Groups	—	—	—	—	—	—
Due to Other Taxing Units	—	24,867	—	—	—	—
Deferred Revenue	157,992	217,504	83	16,615	6,957	3,073
Advances From Other Funds	—	2,478	—	—	—	24,422
Policy Claim Liabilities/Insurance Reserves	—	—	—	—	—	118,726
Notes Payable (Note 8)	—	—	—	—	—	—
General Obligation Bonds Payable (Note 8)	—	—	—	—	—	—
Revenue Bonds Payable (Note 8)	—	—	—	—	1,044,294	5,830
Leave/Postemployment Benefits (Notes 1, 8)	199,715	60,553	—	—	—	—
Total Liabilities	589,954	525,754	21,245	39,472	1,134,254	233,292
Equity and Other Credits:						
Contributed Working Capital	—	—	—	—	49,414	346,134
Investment in Fixed Assets	—	—	—	—	—	—
Retained Earnings	—	—	—	—	202,104	182,288
Fund Balances:						
Reserved (Note 9)	508,962	141,194	109,425	5,081	—	—
Unreserved Designated (Note 9)	187,491	180,490	18,915	6,394	—	—
Unreserved Undesignated	11,614	86,862	—	—	—	—
Total Equity and Other Credits	708,067	408,546	128,340	11,475	251,518	528,422
Total Liabilities, Equity, and Other Credits	\$ 1,298,021	\$ 934,300	\$ 149,585	\$ 50,947	\$ 1,385,772	\$ 761,714

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Types	Account Groups		Total (Memorandum Only)		Component Units		Total (Memorandum Only)	
	General Fixed Assets	General Long-Term Obligation	Primary Government		College and University	Proprietary Funds	Reporting Entity	
			June 30, 2001	June 30, 2000			June 30, 2001	June 30, 2000
\$ 1,290,956	\$ —	\$ —	\$ 2,007,245	\$ 1,896,322	\$ 109,136	\$ 21,775	\$ 2,138,156	\$ 1,936,608
19,357,338	—	—	20,112,712	19,347,000	984,695	368,830	21,466,237	20,763,821
568,183	—	—	1,121,740	535,626	311,233	220	1,433,193	768,650
—	—	—	1,612,615	1,449,604	78,130	966,285	2,657,030	2,440,667
26,701	—	—	59,217	68,008	5,071	7,871	72,159	82,630
6,324	—	—	554,861	387,088	—	—	554,861	387,088
—	—	—	3,407	3,285	—	—	3,407	3,285
11,752	—	—	143,421	96,696	—	—	143,421	96,696
—	—	—	29,939	22,031	—	—	29,939	22,031
—	—	—	0	0	1,154	—	1,154	352
—	—	—	26,900	31,297	—	—	26,900	31,297
—	—	—	28,338	27,765	32,021	32	60,391	57,728
—	—	—	9,145	7,277	49,661	896	59,702	46,952
—	—	—	6,545	5,059	—	16,799	23,344	20,481
15,193	1,417,730	—	1,558,431	1,502,801	2,834,739	4,392	4,397,562	4,191,397
—	—	11,475	11,475	8,757	—	—	11,475	8,757
—	—	1,139,606	1,139,606	1,208,619	—	—	1,139,606	1,208,619
—	—	293,450	293,450	291,610	—	—	293,450	291,610
<u>\$ 21,276,447</u>	<u>\$ 1,417,730</u>	<u>\$ 1,444,531</u>	<u>\$ 28,719,047</u>	<u>\$ 26,888,845</u>	<u>\$ 4,405,840</u>	<u>\$ 1,387,100</u>	<u>\$ 34,511,987</u>	<u>\$ 32,358,669</u>
\$ 635,714	\$ —	\$ —	\$ 948,576	\$ 433,418	\$ 63,499	\$ 4,826	\$ 1,016,901	\$ 491,698
—	—	16,174	35,223	24,633	85,724	—	120,947	81,565
—	—	—	152,597	144,451	66,255	32,489	251,341	236,146
1,459,830	—	—	1,496,118	1,447,768	—	—	1,496,118	1,447,768
55	—	—	55	39	52,039	24	52,118	47,969
4,507	—	—	143,419	96,696	—	—	143,419	96,696
—	—	—	1,154	352	—	—	1,154	352
—	—	—	0	0	29,939	2	29,941	22,031
27,260	—	—	27,260	21,487	8,866	—	36,126	30,943
43,569	—	—	68,436	76,878	—	—	68,436	76,878
32,227	—	—	434,451	124,519	64,479	293	499,223	183,838
—	—	—	26,900	31,297	—	—	26,900	31,297
455,946	—	—	574,672	567,775	—	1,438	576,110	568,808
—	—	—	0	1,217	26,900	2,060	28,960	37,663
—	—	1,146,000	1,146,000	1,212,325	—	—	1,146,000	1,212,325
—	—	241,123	1,291,247	1,140,302	311,108	1,143,099	2,745,454	2,552,654
1,554	—	41,234	303,056	280,952	54,803	—	357,859	331,575
<u>2,660,662</u>	<u>0</u>	<u>1,444,531</u>	<u>6,649,164</u>	<u>5,604,109</u>	<u>763,612</u>	<u>1,184,231</u>	<u>8,597,007</u>	<u>7,450,206</u>
—	—	—	395,548	372,670	—	3,948	399,496	376,618
—	1,417,730	—	1,417,730	1,372,234	2,421,273	—	3,839,003	3,623,485
—	—	—	384,392	358,086	—	198,921	583,313	542,207
18,905,654	—	—	19,670,316	19,023,472	867,444	—	20,537,760	19,842,554
—	—	—	393,290	328,501	314,231	—	707,521	662,078
(289,869)	—	—	(191,393)	(170,227)	39,280	—	(152,113)	(138,479)
<u>18,615,785</u>	<u>1,417,730</u>	<u>0</u>	<u>22,069,883</u>	<u>21,284,736</u>	<u>3,642,228</u>	<u>202,869</u>	<u>25,914,980</u>	<u>24,908,463</u>
<u>\$ 21,276,447</u>	<u>\$ 1,417,730</u>	<u>\$ 1,444,531</u>	<u>\$ 28,719,047</u>	<u>\$ 26,888,845</u>	<u>\$ 4,405,840</u>	<u>\$ 1,387,100</u>	<u>\$ 34,511,987</u>	<u>\$ 32,358,669</u>

STATE OF UTAH

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Governmental Fund Types			
	General	Special Revenue	Capital Projects	Debt Service
Revenues:				
Unrestricted:				
Sales Tax	\$ 1,430,929	\$ 5,369	\$ —	\$ —
Individual Income Tax	—	1,712,676	—	—
Corporate Tax	—	183,141	—	—
Motor and Special Fuel Tax	—	310,000	—	—
Licenses, Permits, and Fees	16,963	74,912	—	—
Investment Income	26,636	16,844	—	—
Miscellaneous Taxes and Other	194,389	17,843	—	—
Total Unrestricted	1,668,917	2,320,785	0	0
Restricted:				
Restricted Sales Tax	10,117	18,886	—	—
Federal Contracts and Grants	1,214,201	493,886	—	—
Departmental Collections	181,748	35,461	—	19,777
Aeronautics	—	33,386	—	—
Federal Mineral Lease	49,566	—	—	—
Intergovernmental Revenues	—	—	35,225	—
Investment Income	18,832	1,082	1,407	267
Premiums/Employer Taxes	—	—	—	—
Restricted Taxes	(139)	(3,345)	—	—
Miscellaneous	74,325	29,502	9,143	—
Total Restricted	1,548,650	608,858	45,775	20,044
Total Revenues	3,217,567	2,929,643	45,775	20,044
Expenditures:				
Current:				
General Government	254,001	2,504	—	—
Human Services	333,327	—	—	—
Corrections	183,395	—	—	—
Health and Environmental Quality	1,097,147	—	—	—
Higher Education	36,118	—	—	—
Natural Resources	104,859	—	—	—
Business, Labor, and Agriculture	49,417	255	—	—
Community and Economic Development	82,381	1,145	—	—
Employment and Family Services	286,304	—	—	—
Public Education	—	1,949,959	—	—
Transportation and Public Safety	120,454	877,653	—	—
Trust Administration and Distributions	—	—	—	—
Leave/Postemployment Benefits	7,083	2,103	—	—
Capital Outlay	—	—	153,126	—
Debt Service:				
Principal Retirement	—	—	—	92,958
Interest and Other Charges	—	—	—	65,928
Total Expenditures	2,554,486	2,833,619	153,126	158,886
Excess Revenues Over (Under) Expenditures	663,081	96,024	(107,351)	(138,842)
Other Financing Sources (Uses):				
Proceeds of Revenue Bonds/Contracts	1,602	1,688	—	—
Proceeds of General Obligation Bonds	—	—	15,153	—
Operating Transfers In (Note 12)	268,793	265,850	145,991	141,560
Operating Transfers Out (Note 12)	(312,737)	(464,834)	(3,283)	—
Operating Transfers From Component Units (Note 12)	526	—	—	—
Operating Transfers To Component Units (Note 12)	(537,279)	—	—	—
Total Other Financing Sources (Uses)	(579,095)	(197,296)	157,861	141,560
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	83,986	(101,272)	50,510	2,718
Beginning Fund Balances	646,959	509,818	77,830	8,757
Residual Equity Transfers (Note 12)	(22,878)	—	—	—
Ending Fund Balances	\$ 708,067	\$ 408,546	\$ 128,340	\$ 11,475

The accompanying notes are an integral part of the financial statements.

Fiduciary Fund Types		Total (Memorandum Only)	
Expendable Trust		June 30, 2001	June 30, 2000
\$	—	\$ 1,436,298	\$ 1,372,849
	—	1,712,676	1,654,949
	—	183,141	186,936
	—	310,000	314,164
	—	91,875	92,300
	—	43,480	34,166
	—	212,232	215,406
	0	3,989,702	3,870,770
	—	29,003	28,113
	4,412	1,712,499	1,582,343
	—	236,986	217,621
	—	33,386	26,859
	—	49,566	34,957
	—	35,225	80,431
	34,290	55,878	102,278
	135,825	135,825	116,675
	—	(3,484)	19,036
	73,476	186,446	171,473
	248,003	2,471,330	2,379,786
	248,003	6,461,032	6,250,556
	21,940	278,445	267,004
	5,783	339,110	436,699
	—	183,395	175,198
	49,856	1,147,003	1,003,488
	608	36,726	31,484
	2,152	107,011	99,217
	8,005	57,677	52,336
	1,935	85,461	79,658
	138,172	424,476	399,361
	706	1,950,665	1,824,724
	—	998,107	999,684
	16,305	16,305	14,495
	—	9,186	17,573
	—	153,126	191,819
	—	92,958	88,269
	—	65,928	70,005
	245,462	5,945,579	5,751,014
	2,541	515,453	499,542
	—	3,290	6,997
	—	15,153	38,169
	5,700	827,894	666,263
	(13,453)	(794,307)	(632,393)
	—	526	0
	—	(537,279)	(503,654)
	(7,753)	(484,723)	(424,618)
	(5,212)	30,730	74,924
	617,183	1,860,547	1,799,903
	—	(22,878)	(14,280)
\$	611,971	\$ 1,868,399	\$ 1,860,547

STATE OF UTAH

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — BUDGET AND ACTUAL (BUDGETARY BASIS) GENERAL FUND, SPECIAL REVENUE FUNDS, AND DEBT SERVICE FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Unrestricted:			
Sales Tax	\$ 1,400,000	\$ 1,431,427	\$ 31,427
Individual Income Tax	—	—	0
Corporate Tax	—	—	0
Motor and Special Fuel Tax	—	—	0
Licenses, Permits, and Fees	16,044	16,980	936
Investment Income	15,000	27,513	12,513
Miscellaneous Taxes and Other	151,307	194,389	43,082
Total Unrestricted	1,582,351	1,670,309	87,958
Restricted:			
Restricted Sales Tax	10,117	10,117	0
Federal Contracts and Grants	1,219,218	1,219,218	0
Departmental Collections	188,694	199,768	11,074
Higher Education Dedicated Credits	192,929	192,929	0
Aeronautics	—	—	0
Federal Mineral Lease	31,400	49,566	18,166
Investment Income	19,402	18,832	(570)
Restricted Taxes	(139)	(139)	0
Miscellaneous	303,176	301,010	(2,166)
Total Restricted	1,964,797	1,991,301	26,504
Total Revenues	3,547,148	3,661,610	114,462
Intrafund Eliminations		(444,043)	
Total Revenues GAAP Basis		3,217,567	
Expenditures:			
Current:			
General Government	285,549	259,165	26,384
Human Services	527,415	518,143	9,272
Corrections	186,201	183,890	2,311
Health and Environmental Quality	1,147,605	1,136,591	11,014
Higher Education	770,140	770,140	0
Natural Resources	140,845	109,009	31,836
Business, Labor, and Agriculture	59,928	50,112	9,816
Community and Economic Development	99,975	85,060	14,915
Employment and Family Services	292,839	291,793	1,046
Public Education	—	—	0
Transportation and Public Safety	128,479	121,147	7,332
Leave/Postemployment Benefits	7,083	7,083	0
Debt Service:			
Principal Retirement	—	—	0
Interest and Other Charges	—	—	0
Total Expenditures	3,646,059	3,532,133	113,926
Higher Education and Trust Appropriated Expenditures Included as Transfers	(533,604)	(533,604)	
Intrafund Eliminations		(444,043)	
Total Expenditures GAAP Basis		2,554,486	
Excess Revenues Over (Under) Expenditures	434,693	663,081	228,388
Other Financing Sources (Uses):			
Proceeds of Revenue Bonds/Contracts	1,602	1,602	0
Operating Transfers In (Note 12)	268,793	268,793	0
Operating Transfers Out (Note 12)	(312,737)	(312,737)	0
Operating Transfers From Component Units (Note 12)	526	526	0
Operating Transfers To Component Units (Note 12)	(537,279)	(537,279)	0
Total Other Financing Sources (Uses)	(579,095)	(579,095)	0
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(144,402)	83,986	228,388
Beginning Fund Balances	646,959	646,959	0
Residual Equity Transfers (Note 12)	(22,878)	(22,878)	0
Ending Fund Balances	\$ 479,679	\$ 708,067	\$ 228,388

The accompanying notes are an integral part of the financial statements.

Special Revenue Funds			Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,770	\$ 5,369	\$ 599	\$ —	\$ —	\$ 0
1,691,855	1,712,676	20,821	—	—	0
172,145	183,141	10,996	—	—	0
320,900	310,000	(10,900)	—	—	0
77,328	74,912	(2,416)	—	—	0
8,421	16,844	8,423	—	—	0
15,218	17,843	2,625	—	—	0
<u>2,290,637</u>	<u>2,320,785</u>	<u>30,148</u>	<u>0</u>	<u>0</u>	<u>0</u>
18,886	18,886	0	—	—	0
493,886	493,886	0	—	—	0
61,692	61,849	157	19,777	19,777	0
—	—	0	—	—	0
33,386	33,386	0	—	—	0
—	—	0	—	—	0
1,082	1,082	0	267	267	0
(3,345)	(3,345)	0	—	—	0
45,217	45,083	(134)	—	—	0
<u>650,804</u>	<u>650,827</u>	<u>23</u>	<u>20,044</u>	<u>20,044</u>	<u>0</u>
<u>2,941,441</u>	<u>2,971,612</u>	<u>30,171</u>	<u>20,044</u>	<u>20,044</u>	<u>0</u>
	(41,969)			—	
	<u>2,929,643</u>			<u>20,044</u>	
2,510	2,504	6	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
295	255	40	—	—	0
2,433	1,145	1,288	—	—	0
—	—	0	—	—	0
2,014,168	1,965,608	48,560	—	—	0
922,469	903,973	18,496	—	—	0
2,216	2,103	113	—	—	0
—	—	0	92,958	92,958	0
—	—	0	65,928	65,928	0
<u>2,944,091</u>	<u>2,875,588</u>	<u>68,503</u>	<u>158,886</u>	<u>158,886</u>	<u>0</u>
	(41,969)			—	
	<u>2,833,619</u>			<u>158,886</u>	
(2,650)	<u>96,024</u>	<u>98,674</u>	<u>(138,842)</u>	<u>(138,842)</u>	<u>0</u>
1,688	1,688	0	—	—	0
265,850	265,850	0	141,560	141,560	0
(464,834)	(464,834)	0	—	—	0
—	—	0	—	—	0
—	—	0	—	—	0
<u>(197,296)</u>	<u>(197,296)</u>	<u>0</u>	<u>141,560</u>	<u>141,560</u>	<u>0</u>
(199,946)	(101,272)	98,674	2,718	2,718	0
509,818	509,818	0	8,757	8,757	0
—	—	0	—	—	0
<u>\$ 309,872</u>	<u>\$ 408,546</u>	<u>\$ 98,674</u>	<u>\$ 11,475</u>	<u>\$ 11,475</u>	<u>\$ 0</u>

STATE OF UTAH

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCES — ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types
	Enterprise	Internal Service	Non- expendable Trust
Operating Revenues:			
Investment Earnings	\$ 15,065	\$ 15,707	\$ (35,824)
Liquor:			
Sales	122,927	—	—
Licenses, Permits, and Fees	859	—	—
Charges for Services/Premiums/Royalties	28,360	416,538	38,754
Interest on Notes/Mortgages	65,155	6,098	—
Federal Reinsurance and Allowances	20,313	—	—
Miscellaneous	189	—	—
Total Operating Revenues	<u>252,868</u>	<u>438,343</u>	<u>2,930</u>
Cost of Goods Sold	<u>87,554</u>	<u>—</u>	<u>—</u>
Gross Profit	<u>165,314</u>	<u>438,343</u>	<u>2,930</u>
Operating Expenses:			
Administration	53,714	38,738	—
Materials and Services for Resale	—	49,440	—
Grants	4,398	2,536	—
Payments on Loan Guarantees	10,630	—	—
Rentals and Leases	997	4,123	—
Maintenance	965	17,342	—
Interest	47,946	363	—
Depreciation	1,863	19,067	—
Benefit Claims	—	267,447	—
Policyholder Dividends	—	6,000	—
Supplies and Other Miscellaneous	1,428	31,199	—
Total Operating Expenses	<u>121,941</u>	<u>436,255</u>	<u>0</u>
Total Operating Income	<u>43,373</u>	<u>2,088</u>	<u>2,930</u>
Non-Operating Income (Expenses):			
Investment Earnings	2,955	—	—
Federal Grants/Returns	—	61	—
Gain (Loss) on Sale of Fixed Assets	(12)	(810)	6,671
Tax Revenues	3,830	9,422	—
Interest Expense	(647)	(55)	—
Other Income (Expenses)	—	(296)	—
Total Non-Operating Income (Expenses)	<u>6,126</u>	<u>8,322</u>	<u>6,671</u>
Income Before Operating Transfers	49,499	10,410	9,601
Operating Transfers In (Note 12)	2,750	976	16
Operating Transfers From Primary Government (Note 12)	—	—	—
Operating Transfers Out (Note 12)	(30,838)	(6,491)	—
Operating Transfers To Primary Government (Note 12)	—	—	—
Net Income	<u>21,411</u>	<u>4,895</u>	<u>9,617</u>
Beginning Retained Earnings/Fund Balances	180,693	177,393	362,607
Adjustment to Beginning Retained Earnings/ Fund Balances (Note 2)	—	—	—
Beginning Retained Earnings/Fund Balances as Adjusted	<u>180,693</u>	<u>177,393</u>	<u>362,607</u>
Residual Equity Transfers (Note 12)	—	—	—
Ending Retained Earnings/Fund Balances	<u>\$ 202,104</u>	<u>\$ 182,288</u>	<u>\$ 372,224</u>

The accompanying notes are an integral part of the financial statements.

Total (Memorandum Only)		Proprietary Fund Types	Total (Memorandum Only)	
Primary Government		Component	Reporting Entity	
June 30, 2001	June 30, 2000	Units	June 30, 2001	June 30, 2000
\$ (5,052)	\$ 43,242	\$ 18,929	\$ 13,877	\$ 61,203
122,927	116,576	—	122,927	116,576
859	831	—	859	831
483,652	425,989	11,427	495,079	434,186
71,253	62,795	66,246	137,499	121,467
20,313	21,117	—	20,313	21,117
189	53	4,046	4,235	3,500
694,141	670,603	100,648	794,789	758,880
87,554	85,450	—	87,554	85,450
606,587	585,153	100,648	707,235	673,430
92,452	83,449	12,587	105,039	94,504
49,440	45,509	—	49,440	45,509
6,934	12,438	—	6,934	12,438
10,630	7,970	—	10,630	7,970
5,120	4,488	—	5,120	4,488
18,307	16,155	660	18,967	16,715
48,309	43,486	67,172	115,481	105,192
20,930	18,013	451	21,381	18,491
267,447	238,066	8,543	275,990	242,846
6,000	11,075	—	6,000	11,075
32,627	31,735	922	33,549	32,448
558,196	512,384	90,335	648,531	591,676
48,391	72,769	10,313	58,704	81,754
2,955	2,433	1,617	4,572	3,517
61	2,558	11	72	2,602
5,849	5,121	—	5,849	5,121
13,252	10,706	—	13,252	10,706
(702)	(685)	—	(702)	(685)
(296)	(769)	660	364	(864)
21,119	19,364	2,288	23,407	20,397
69,510	92,133	12,601	82,111	102,151
3,742	3,154	—	3,742	3,154
0	0	3,725	3,725	4,605
(37,329)	(37,024)	—	(37,329)	(37,024)
0	0	(1,526)	(1,526)	0
35,923	58,263	14,800	50,723	72,886
720,693	674,409	443,373	1,164,066	1,103,731
0	(11,746)	(259,252)	(259,252)	(271,570)
720,693	662,663	184,121	904,814	832,161
0	(233)	—	0	(233)
\$ 756,616	\$ 720,693	\$ 198,921	\$ 955,537	\$ 904,814

STATE OF UTAH

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types
	Enterprise	Internal Service	Non- expendable Trust
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from Customers/Loan Interest/Fees/Premiums/Royalties	\$ 220,740	\$ 273,253	\$ 39,693
Receipts from Loan Maturities	133,900	20,334	—
Receipts of Federal Reinsurance and Allowances	24,673	—	—
Receipts from State Customers	9,044	142,079	—
Student Loan Disbursements Received from Lenders	209,244	—	—
Student Loan Disbursements Sent to Schools	(208,988)	—	—
Payments to Suppliers/Claims/Grants	(117,718)	(316,119)	—
Disbursements for Loans Receivable	(247,678)	(30,902)	—
Payments on Loan Guarantees	(16,014)	—	—
Payments for Employee Services and Benefits	(23,954)	(36,390)	—
Payments to State Suppliers	(2,734)	(45,943)	—
Payments of Sales, School Lunch, and Premium Taxes	(22,854)	—	—
Payments of Policyholder Dividends	—	(6,000)	—
Net Cash Provided (Used) by Operating Activities	(42,339)	312	39,693
Cash Flows from Noncapital Financing Activities:			
Borrowings Under Revolving Loans	8,420	—	—
Repayments Under Revolving Loans	(6,058)	—	—
Receipts from Bonds, Notes, Advances, and Deposits	258,985	5,958	—
Payments of Bonds, Notes, Advances, Deposits, and Retained Earnings	(95,055)	(5,355)	—
Interest Paid on Bonds, Notes, and Financing Costs	(52,847)	(385)	—
Other Noncapital Financing Receipts	3,830	9,782	—
Operating Transfers In from Other Funds	2,750	976	16
Operating Transfers In from Primary Government	—	—	—
Operating Transfers Out to Other Funds	(30,838)	(6,491)	—
Operating Transfers Out to Primary Government	—	—	—
Equity Transfers In from Other Funds	—	19,007	—
Equity Transfers Out to Other Funds	(1,557)	—	—
Net Cash Provided (Used) by Noncapital Financing Activities	87,630	23,492	16
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Bond and Note Debt Issuance/Grants	55	—	—
Proceeds from Disposition of Capital Assets	—	4,145	6,679
Federal Grants	—	3	—
Principal Paid on Debt and Contract Maturities	(535)	(35)	—
Acquisition and Construction of Capital Assets	(2,811)	(32,759)	(1,561)
Interest Paid on Bonds, Notes, and Capital Leases	(584)	(56)	—
Transfers In from Other Funds	961	4,467	—
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,914)	(24,235)	5,118
Cash Flows from Investing Activities:			
Proceeds from the Sale and Maturity of Investments	460,692	54,181	5,966
Receipts of Interest and Dividends from Investments	16,215	13,818	566
Payments to Purchase Investments	(504,372)	(86,481)	(58,500)
Net Cash Provided (Used) by Investing Activities	(27,465)	(18,482)	(51,968)
Net Increase (Decrease) in Cash and Cash Equivalents	14,912	(18,913)	(7,141)
Beginning Cash and Cash Equivalents	74,454	59,000	20,345
Ending Cash and Cash Equivalents	\$ 89,366	\$ 40,087	\$ 13,204

The accompanying notes are an integral part of the financial statements.

Total (Memorandum Only)		Proprietary Fund Types	Total (Memorandum Only)	
Primary Government		Component	Reporting Entity	
June 30, 2001	June 30, 2000	Units	June 30, 2001	June 30, 2000
\$ 533,686	\$ 474,680	\$ 80,668	\$ 614,354	\$ 544,200
154,234	139,584	122,031	276,265	281,422
24,673	19,537	—	24,673	19,537
151,123	145,032	—	151,123	145,032
209,244	174,392	—	209,244	174,392
(208,988)	(174,416)	—	(208,988)	(174,416)
(433,837)	(421,048)	(14,450)	(448,287)	(434,565)
(278,580)	(253,281)	(175,042)	(453,622)	(510,305)
(16,014)	(13,214)	—	(16,014)	(13,214)
(60,344)	(58,887)	(4,943)	(65,287)	(63,445)
(48,677)	(32,000)	—	(48,677)	(32,000)
(22,854)	(22,534)	—	(22,854)	(22,534)
(6,000)	(11,075)	—	(6,000)	(11,075)
(2,334)	(33,230)	8,264	5,930	(96,971)
8,420	6,058	—	8,420	6,058
(6,058)	(2,716)	(406)	(6,464)	(2,878)
264,943	135,697	200,123	465,066	430,116
(100,410)	(64,866)	(151,016)	(251,426)	(329,273)
(53,232)	(45,458)	(66,577)	(119,809)	(106,564)
13,612	13,182	765	14,377	13,245
3,742	3,154	—	3,742	3,154
0	0	3,725	3,725	4,605
(37,329)	(37,024)	—	(37,329)	(37,024)
0	0	(1,526)	(1,526)	0
19,007	11,950	—	19,007	11,950
(1,557)	(2,294)	—	(1,557)	(2,294)
111,138	17,683	(14,912)	96,226	(8,905)
55	854	—	55	854
10,824	9,015	—	10,824	9,015
3	90	—	3	90
(570)	(594)	—	(570)	(594)
(37,131)	(29,179)	(1,603)	(38,734)	(29,690)
(640)	(625)	—	(640)	(625)
5,428	4,878	—	5,428	4,878
(22,031)	(15,561)	(1,603)	(23,634)	(16,072)
520,839	410,001	394,440	915,279	945,149
30,599	34,208	20,720	51,319	54,815
(649,353)	(408,580)	(408,788)	(1,058,141)	(870,785)
(97,915)	35,629	6,372	(91,543)	129,179
(11,142)	4,521	(1,879)	(13,021)	7,231
153,799	149,278	23,654	177,453	170,222
\$ 142,657	\$ 153,799	\$ 21,775	\$ 164,432	\$ 177,453

Continues

STATE OF UTAH

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND, AND DISCRETELY PRESENTED COMPONENT UNITS

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Proprietary Fund Types		Fiduciary Fund Types
	Enterprise	Internal Service	Non- expendable Trust
Reconciliation of Total Operating Income to Net Cash Provided (Used) by Operating Activities:			
Total Operating Income	\$ 43,373	\$ 2,088	\$ 2,930
Adjustments to Reconcile Total Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Not Requiring Cash	1,863	19,067	—
Provision for Uncollectible Accounts	—	—	—
Interest Expense for Noncapital and Capital Financing	47,643	363	—
Revenue from Non-Operating Investment and Other Activities	(14,108)	(15,707)	35,824
Miscellaneous Gains, Losses, and Other Items Not Requiring Cash	3,863	8	—
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable/Due From Other Funds	224	(6,679)	(10,854)
(Increase) Decrease in Accrued Interest/Notes Receivable	(133,317)	(8,848)	513
(Increase) Decrease in Inventories	(684)	(882)	—
(Increase) Decrease in Prepaid Items	(41)	(1,756)	—
(Decrease) Increase in Vouchers Payable/ Accrued Liabilities/Due to Other Funds	8,316	(641)	—
(Decrease) Increase in Deferred Revenue/Deposits	529	774	11,280
(Decrease) Increase in Policy Claim Liabilities	—	13,742	—
(Decrease) Increase in Notes Payable	—	(1,217)	—
Net Cash Provided (Used) by Operating Activities	<u>\$ (42,339)</u>	<u>\$ 312</u>	<u>\$ 39,693</u>
Noncash Investing, Capital, and Financing Activities:			
Contributed Capital/Operating Assets Transferred In (Out)	\$ —	\$ —	\$ —
Increase (Decrease) in Fair Value of Investments	—	2,597	(36,390)
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 0</u>	<u>\$ 2,597</u>	<u>\$ (36,390)</u>

Reconciliation of Cash and Cash Equivalents to the Combined Balance Sheet:

	Trust and Agency
Nonexpendable Trust	\$ 13,204
Other Trust and Agency	1,277,752
Total Cash and Cash Equivalents per Combined Balance Sheet	<u>\$ 1,290,956</u>

The accompanying notes are an integral part of the financial statements.

Total (Memorandum Only)		Proprietary Fund Types	Total (Memorandum Only)	
Primary Government		Component Units	Reporting Entity	
June 30, 2001	June 30, 2000		June 30, 2001	June 30, 2000
\$ 48,391	\$ 72,769	\$ 10,313	\$ 58,704	\$ 81,754
20,930	18,013	451	21,381	18,491
0	0	398	398	292
48,006	43,001	63,507	111,513	101,171
6,009	(36,374)	(18,929)	(12,920)	(54,335)
3,871	3,344	3,263	7,134	6,293
(17,309)	(9,407)	9	(17,300)	(9,573)
(141,652)	(130,875)	(53,913)	(195,565)	(246,365)
(1,566)	(2,203)	—	(1,566)	(2,203)
(1,797)	(3,281)	1,026	(771)	(4,365)
7,675	4,629	1,745	9,420	4,608
12,583	947	(11)	12,572	1,012
13,742	6,207	405	14,147	6,249
(1,217)	0	—	(1,217)	0
<u>\$ (2,334)</u>	<u>\$ (33,230)</u>	<u>\$ 8,264</u>	<u>\$ 5,930</u>	<u>\$ (96,971)</u>
\$ 0	\$ 8,165	\$ —	\$ 0	\$ 8,165
(33,793)	13,850	630	(33,163)	15,105
<u>\$ (33,793)</u>	<u>\$ 22,015</u>	<u>\$ 630</u>	<u>\$ (33,163)</u>	<u>\$ 23,270</u>

STATE OF UTAH

STATEMENT OF CHANGES IN NET ASSETS DEFINED BENEFIT PENSION PLANS, OTHER PENSION TRUST FUNDS, AND INVESTMENT TRUST FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System
Additions:				
Contributions:				
Member	\$ 8,464	\$ 11,518	\$ 4,132	\$ 9,617
Employer	10,484	352,339	49,353	140
Court Fees and Fire Insurance Premiums	—	—	—	6,615
Pool Participant Deposits	—	—	—	—
Total Contributions and Deposits	18,948	363,857	53,485	16,372
Investment Income:				
Net Increase (Decrease) in Fair Value of Investments	(11,419)	(121,582)	(15,115)	(6,337)
Interest, Dividends, and Other Investment Income	30,477	324,500	40,346	16,911
Investment Trust Earnings	—	—	—	—
Total Investment Income	19,058	202,918	25,231	10,574
Less Investment Expenses	1,515	16,131	2,005	841
Less Investment Administrative Expenses	—	—	—	—
Net Investment Income	17,543	186,787	23,226	9,733
Transfers From Affiliated Systems	—	51,020	2,027	1,303
Total Additions	36,491	601,664	78,738	27,408
Deductions:				
Retirement Benefits	36,662	236,377	35,900	14,496
Cost of Living Benefits	20,929	40,501	6,105	3,403
Supplemental Retirement Benefits	2,726	—	764	839
Refunds	5,040	5,292	971	312
Administrative Expenses	680	6,850	840	319
Earnings Distribution	—	—	—	—
Pool Participant Withdrawals	—	—	—	—
Transfers To Affiliated Systems	54,549	—	—	—
Total Deductions	120,586	289,020	44,580	19,369
Net Increase (Decrease) From Operations	(84,095)	312,644	34,158	8,039
Fund Balances/Net Assets Held in Trust for Pension Benefits and External Investment Fund Participants — Beginning of Year	1,030,515	10,111,101	1,261,920	532,783
Fund Balances/Net Assets Held in Trust for Pension Benefits and External Investment Fund Participants — End of Year	\$ 946,420	\$ 10,423,745	\$ 1,296,078	\$ 540,822

The accompanying notes are an integral part of the financial statements.

Judges System	Governors and Legislative Pension Plan	Deferred Compensation 401(k) Plan	Public Treasurer's Investment Fund
\$ 8	\$ —	\$ 137,563	\$ —
1,476	—	—	—
1,946	—	—	—
—	—	—	4,631,739
<u>3,430</u>	<u>0</u>	<u>137,563</u>	<u>4,631,739</u>
(1,023)	(141)	(56,673)	168
2,730	378	3,142	—
—	—	—	179,763
<u>1,707</u>	<u>237</u>	<u>(53,531)</u>	<u>179,931</u>
136	19	1,470	—
—	—	—	112
<u>1,571</u>	<u>218</u>	<u>(55,001)</u>	<u>179,819</u>
183	16	—	—
<u>5,184</u>	<u>234</u>	<u>82,562</u>	<u>4,811,558</u>
2,704	520	—	—
618	142	—	—
—	—	—	—
—	1	61,898	—
52	6	3,373	—
—	—	—	177,828
—	—	—	4,250,144
—	—	—	—
<u>3,374</u>	<u>669</u>	<u>65,271</u>	<u>4,427,972</u>
1,810	(435)	17,291	383,586
<u>85,921</u>	<u>12,159</u>	<u>1,259,441</u>	<u>2,664,752</u>
<u>\$ 87,731</u>	<u>\$ 11,724</u>	<u>\$ 1,276,732</u>	<u>\$ 3,048,338</u>

STATE OF UTAH

COMBINED STATEMENT OF CHANGES IN FUND BALANCES COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000
Revenues and Other Additions:		
Unrestricted Educational and General Revenues	\$ 645,834	\$ 588,303
Auxiliary Enterprises Revenues	143,073	130,263
Hospital Sales and Services	361,429	326,214
Foundations and Other Component Units	170,309	139,663
Tuition and Fees — Restricted	36,997	32,365
Private Gifts, Grants, and Contracts	253,729	212,411
Governmental Grants and Contracts	420,147	396,116
Federal Appropriations	4,252	4,336
Investment and Endowment Income	(1,705)	67,527
Interest on Loans Receivable	1,299	1,322
Expended for Plant Facilities (including \$61,859 from current funds)	230,732	281,315
Retirement of Indebtedness (including \$829 from current funds)	61,721	29,813
Other	8,589	9,206
Total Revenues and Other Additions	<u>2,336,406</u>	<u>2,218,854</u>
Expenditures and Other Deductions:		
Educational and General Expenditures	1,624,255	1,528,146
Auxiliary Enterprises Expenditures	136,344	123,805
Hospital Expenditures	349,865	333,915
Foundations and Other Component Units	139,459	120,497
Indirect Costs Recovered	62,566	56,382
Depreciation	16,494	16,194
Refunded to Grantors	50	22
Loan Cancellations and Write-Offs	1,479	1,417
Administrative and Collection Costs	1,896	1,459
Expended for Plant Facilities (including noncapitalized expenditures of \$15,046)	183,919	203,284
Retirement of Indebtedness	60,892	28,944
Interest on Indebtedness	21,492	19,902
Increase in Debt	2,052	3,072
Disposal of Plant Facilities	58,477	48,181
Other	4,150	3,604
Total Expenditures and Other Deductions	<u>2,663,390</u>	<u>2,488,824</u>
Transfers Among Funds:		
Operating Transfers In from Primary Government (Note 12)	533,554	500,049
Net Increase (Decrease) in Fund Balances	<u>206,570</u>	<u>230,079</u>
Beginning Fund Balances	3,614,221	3,348,238
Adjustments to Beginning Fund Balances (Note 2)	(178,563)	(162,369)
Adjusted Beginning Fund Balances	3,435,658	3,185,869
Residual Equity Transfers (Note 12)	—	19,710
Ending Fund Balances	<u>\$ 3,642,228</u>	<u>\$ 3,435,658</u>

The accompanying notes are an integral part of the financial statements.

STATE OF UTAH

COMBINED STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Total Unrestricted	Total Restricted	Total Current Funds	
			June 30, 2001	June 30, 2000
Revenues:				
Educational and General:				
Tuition and Fees	\$ 252,747	\$ 17,322	\$ 270,069	\$ 243,899
Federal Appropriations	—	4,311	4,311	4,214
Governmental Grants and Contracts	62,714	295,296	358,010	320,652
Private Gifts, Grants, and Contracts	5,440	111,619	117,059	128,429
Investment and Endowment Income	23,980	17,489	41,469	33,178
Sales and Services of Educational Departments	287,493	7,472	294,965	267,193
Other	13,460	3,684	17,144	12,484
Total Educational and General Revenues	645,834	457,193	1,103,027	1,010,049
Hospital Sales and Services	361,429	—	361,429	326,214
Auxiliary Enterprises Revenues	143,073	—	143,073	130,263
Total Revenues	1,150,336	457,193	1,607,529	1,466,526
Expenditures and Mandatory Transfers:				
Educational and General:				
Instruction	389,669	68,116	457,785	426,785
Research	33,460	218,363	251,823	234,699
Public Service	275,254	103,871	379,125	353,620
Academic Support	102,151	22,346	124,497	122,260
Student Services	58,256	12,968	71,224	66,429
Institution Support	123,841	9,528	133,369	141,376
Operation and Maintenance of Plant	98,953	4,536	103,489	91,681
Student Aid	24,665	78,201	102,866	91,479
Total Educational and General Expenditures	1,106,249	517,929	1,624,178	1,528,329
Hospital Expenditures	349,231	634	349,865	333,915
Auxiliary Enterprises Expenditures	133,790	2,554	136,344	123,805
Mandatory Transfers, Net Out (In)	34,070	(2,988)	31,082	44,386
Total Expenditures and Mandatory Transfers	1,623,340	518,129	2,141,469	2,030,435
Other Transfers and Additions (Deductions):				
Excess of Restricted Receipts Over				
(Under) Transfers to Revenues	—	39,230	39,230	21,887
Refunded to Grantors	—	(49)	(49)	(21)
Nonmandatory Transfers, Net	3,851	(11,535)	(7,684)	12,815
Operating Transfers from Primary				
Government (Note 12)	469,642	63,912	533,554	500,036
Other	(2,841)	(140)	(2,981)	(1,599)
Total Other Transfers and Additions	470,652	91,418	562,070	533,118
Net Increase (Decrease) in Fund Balances	\$ (2,352)	\$ 30,482	\$ 28,130	\$ (30,791)

The accompanying notes are an integral part of the financial statements.

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STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

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STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Utah have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board.

Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

The accompanying financial statements present the financial position of the various fund types and account groups, the results of operations of the various fund types, and the cash flows of the proprietary and nonexpendable trust funds. The financial statements are presented as of June 30, 2001, for the year then ended. The financial statements include the various departments, agencies, and other organizational units governed by the Utah State Legislature and/or Constitutional Officers of the State of Utah.

A. Reporting Entity

For financial reporting purposes, the State of Utah has included all funds, organizations, account groups, agencies, boards, commissions, and authorities. The State has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and either: 1) the ability of the State to impose its will on that organization or; 2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the State.

As required by generally accepted accounting principles, these financial statements include the State of Utah (Primary Government) and its component units. Complete financial statements of the individual component units, which issued separate financial statements as noted below, can be obtained from their respective administrative offices or from the Utah State Auditor's Office, 211 State Capitol, Salt Lake City, UT 84114.

Entities such as the local school districts and local authorities of various kinds that may meet only one of the criteria for inclusion in this report have not been included. (The State's support of the public education system is reported in the Uniform School Fund, a Special Revenue Fund.)

The following state agencies and funds had separately issued financial statements and were audited by the Utah State Auditor's Office, or by other independent auditors:

- **Applied Technology Centers (Special Revenue Fund)** — There are five applied technology centers in the State which offer vocational education in various subjects. They are Bridgerland, Davis, Ogden-Weber, Uintah Basin, and Wasatch Front South. The Centers receive annual state appropriations for their operations and are included as an integral part of the Uniform School Fund. The individual Centers were audited by the State Auditor or other independent auditors, and individual reports, dated from July 27, 2001, to October 5, 2001, have been previously issued under separate cover. Effective for the fiscal year ending June 30, 2002, the Applied Technology Centers will become part of a newly created College of Applied Technology. In future years, the College of Applied Technology will be reported as a discrete component unit in the College and University Funds.
- **Student Assistance Programs (Enterprise Fund)** — This fund presents combined information from two student assistance programs administered by the State Board of Regents — Utah Higher Education Assistance Authority: the Student Loan Guarantee Program, which guarantees repayment of eligible student loans; and the Student Loan Purchase Program, which makes loans to and purchases loans of eligible students. The programs are funded from bond proceeds, loan fees, interest, and federal allowances. Both programs are administered by the State Board of Regents. The Regents are appointed by the Governor, subject to Senate approval. The Board of Regent's operations and administrative expenses are subject to legislative and executive control. Their reports, dated August 31, 2001, have been previously issued under separate cover.
- **Utah Dairy Commission (Enterprise Fund)** — The Commission is an independent state agency which promotes and advertises dairy products. It also conducts research and provides nutritional education about dairy products. The Commission's voting membership is comprised of representatives from the dairy industry, and its funding is from an assessment imposed on all milk produced and sold through commercial channels in the State. The Commission was audited by other independent auditors for the period ended December 31, 2000, and their report, dated May 16, 2001, has been previously issued under separate cover.
- **Utah Public Employees Group Insurance (Internal Service Fund)** — This fund provides health and life insurance and is financed by employee and employer contributions from the State and other participating political subdivisions. The Fund is administered by Utah Retirement Systems, an independent state agency subject to legislative and executive department budgetary examination and comment. The Fund was audited by other independent auditors and their report, dated October 5, 2001, has been previously issued under separate cover.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

- Utah Retirement Systems (Pension Trust Funds) — Utah Retirement Systems administers pension funds for various public employee retirement systems and plans of the State and its political subdivisions. Utah Retirement Systems is an independent state agency. It is subject to legislative and executive department budgetary examination and comment. A seven member board is established by statute to administer the systems and plans and serve as investment trustees of the retirement funds. Six members are appointed by the Governor with the advice and consent of the Senate, while the State Treasurer serves as the seventh member. The funds were audited by other independent auditors for the period ended December 31, 2000, and their report, dated February 23, 2001, has been previously issued under separate cover.
- Utah Technology Finance Corporation (Proprietary Fund Type) — This is a nonprofit organization which encourages and assists in the development, promotion, and growth of technological and small businesses throughout the State. The Corporation has received state appropriations for working capital. The board of trustees is appointed by the Governor and approved by the Senate. The Corporation was audited separately and copies of their report can be obtained from the Utah State Auditor's Office.
- Comprehensive Health Insurance Pool (Proprietary Fund Type) — The Pool is a nonprofit quasi-governmental entity established within the State Insurance Department. It provides access to health insurance coverage for residents of the State who are considered uninsurable. The Pool is governed by a board which is appointed by the Governor with the advice and consent of the Senate. The reporting period for the Pool was changed from a calendar year to a fiscal year ending June 30 by the 2001 State Legislature. The accompanying financial statements include an 18 month time period for the Pool from January 1, 2000, to June 30, 2001, in order to transition to the new reporting period. Their report, dated September 18, 2001, has been previously issued under separate cover.
- Heber Valley Historic Railroad Authority (Proprietary Fund Type) — The Authority is an independent state agency which maintains and operates a scenic and historic railroad in and around the Heber Valley. The majority of the Authority's board is appointed by the State (three members appointed directly by the Governor and approved by the Senate and the Governor's executive director of the Department of Transportation) plus three local government officials from the Heber Valley. The State is able to impose its will on the Authority. Their compilation report, dated September 27, 2001, has been previously issued under separate cover.
- Utah Science Center Authority (Proprietary Fund Type) — The Authority is an independent state agency created to provide a means to foster the development of science, arts, tourism, and cultural and educational facilities in order to further the welfare of the citizens of the State and its economic growth. The majority of the Authority's board is appointed by the Governor with consent of the Senate. The State is able to impose its will on the Authority. The Authority's activity through June 30, 2001, is included in this report. A separate report is not required or prepared for the Authority.
- Utah State Fair Corporation (Proprietary Fund Type) — This is a nonprofit public corporation that operates the State Fair Park and conducts the Utah State Fair and other various expositions and entertainment events. It is governed by a board of directors appointed by the Governor and approved by the Senate. It receives state appropriations for operations and working capital. Their report, dated August 8, 2001, has been previously issued under separate cover.

Blended Component Units

Blended component units are entities which are legally separate from the State but which are so intertwined with the State that they are, in substance, the same as the State. They are reported as part of the State and blended into the appropriate funds.

Utah State Building Ownership Authority (blended with the primary government's Debt Service and Capital Projects Funds, liabilities are reported as a part of the General Long-Term Obligation Account Group and fixed assets are reported as a part of the General Fixed Assets Account Group) — The Utah State Building Ownership Authority was created by the Legislature as a body politic and corporate for the purpose of financing, owning, leasing, operating, or encumbering facilities to meet the needs of state government. It is comprised of seven members who are appointed by the Governor.

Discrete Component Units

Discrete component units are entities which are legally separate from the State but which are financially accountable to the State, or whose relationships with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. The component units' columns of the combined financial statements include the financial data of these entities:

- Utah Housing Corporation, previously known as Utah Housing Finance Agency (Proprietary Fund Type) — The Corporation is a body politic and corporate, composed of nine members. Three of the members are state officials and six members are citizens appointed by the Governor. The Corporation issues bonds to provide capital for housing and home mortgages, especially for low and moderate income families. Operations are financed from bond proceeds and from mortgage and investment interest and fees. The Corporation was audited by other independent auditors, and their report, dated August 20, 2001, has been previously issued under separate cover.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

- Colleges and Universities (College and University Funds) — The University of Utah, Utah State University, Weber State University, Southern Utah University, Salt Lake Community College, Utah Valley State College, Dixie State College of Utah, College of Eastern Utah, and Snow College are individually presented in the College and University Funds. Each college and university is governed by a board of trustees. Each board of trustees is comprised of individuals appointed by the Governor and approved by the Senate, the president of the institution's alumni association, and the president of the institution's associated students. The colleges and universities are funded through state appropriations, tuition, federal grants, and private donations and grants. The colleges and universities were audited by the State Auditor or other independent auditors, and individual reports, dated from September 21, 2001, to October 26, 2001, have been previously issued under separate cover.

Related Organization

Workers' Compensation Fund — This fund is a nonprofit quasi-governmental corporation. It provides workers' compensation insurance to private and public employers and is financed through member (employer) premiums. In prior years, the Fund was considered a discrete component unit of the State and included in the combined financial statements. However, the Fund was reevaluated and is no longer considered to be a discrete component unit and has been excluded from the financial statements. The Governor appoints the Fund's board of directors, but the State's financial accountability for the Fund does not extend beyond making the appointments.

B. Fund Accounting

Financial activities are recorded in individual funds classified by type, each of which is deemed to be a separate accounting entity. The financial position and operations of each fund are accounted for in separate self-balancing accounts which represent the fund's assets, liabilities, fund balances, equities, revenues, expenses, and expenditures.

The State uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The financial activities of the State of Utah are classified in three fund categories, two account groups, and component units, as described below. The fund categories include governmental funds, proprietary funds, and fiduciary funds. Account groups are composed of general fixed assets and general long-term obligations.

1. The State's governmental funds account for the State's general activities:

The General Fund is the principal operating fund of the State. It is used to account for all financial resources that are not accounted for in other funds. The services accounted for in the General Fund include, among others, general government, public safety, judicial, corrections, public health and welfare, business licensing and regulation, and higher education. Resources obtained from federal grants and used for services provided by General Fund entities, consistent with applicable legal requirements, are recorded in the General Fund.

The Special Revenue Funds (Uniform School Fund, Transportation Fund, Centennial Highway Fund, Sports Authority Fund, State Capitol Fund, Consumer Education Fund, Rural Development Fund, and Tobacco Endowment Fund) are used to account for specific revenue sources that are legally restricted to expenditures for specified purposes. Special Revenue Funds include transactions related to the Offices of Education and Rehabilitation, the Department of Transportation, the Capitol Preservation Board, the Utah Sports Authority, the Department of Community and Economic Development, and the Department of Commerce – Securities Division and Consumer Protection Division.

The Capital Projects Fund accounts for resources obtained and used for the acquisition, construction, or improvement of certain capital facilities (except those financed by proprietary funds). Such resources are derived principally from proceeds of general obligation bond issues, revenue bonds, and operating transfers from the State's General Fund. The State enters into long-term contracts for the construction of major capital projects and records the commitments as encumbrances (See Note 6).

The Debt Service Fund accounts for resources obtained and used for the payment of interest and principal on general long-term debt obligations and on general revenue bonds which are funded from general governmental fund operations.

2. The proprietary funds account for the State's business-type activities:

The Enterprise Funds account for operations similar to a private business enterprise. They are also used to account for operations where the governing body has decided that periodic

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The intent of the State is that the cost of providing the goods or services to the general public on a continuing basis should be financed primarily through user charges.

The Internal Service Funds are a variety of independent operations that provide goods and/or services to other state departments or other political subdivisions on a cost reimbursement basis. The largest funds are the Water Resources, Employees Group Insurance, Community Impact Loan, and Risk Management Funds. The Water Resources Loan Fund provides loans to local governments, water districts, and other entities for upgrading water storage facilities and related structures. The Employees Group Insurance Fund offers several health insurance programs to state and local government employees. The Community Impact Loan Fund provides loans to local governments to alleviate social, economic, and public financial impacts resulting from the development of the State's natural resources. Grants authorized by the Permanent Community Impact Fund Board amounting to \$7 million were transferred to and expended in the General Fund during the year. The Risk Management Fund provides a broad range of property and liability insurance coverage to most state agencies and to several voluntarily participating school districts.

3. The fiduciary funds account for assets held by the State in a trustee capacity or as an agent for other individuals, other governmental units, or other funds:

The Pension Trust Funds account for the transactions, assets, liabilities, and fund equity of the retirement systems and plans administered by Utah Retirement Systems.

The Investment Trust Fund is used to account for the investments related to external participants in the Utah State Public Treasurer's Investment Fund.

The Nonexpendable Trust Fund accounts for the transactions, assets, liabilities, and fund equity of the School and Institutional Trust Lands. The Trust Lands Fund was created from the federal *Enabling Act of 1894* land grants and the sale of such lands. The Fund's principal is nonexpendable, whereas the earnings on the principal are used to increase the Fund's principal and to support education in the State.

The Expendable Trust Funds account for assets received and expended by the State as trustee, and include the following funds: Unemployment Compensation Trust, Deferred Compensation 457 Plan, Employers' Reinsurance Trust, Utah Navajo Trust, and miscellaneous small deposits and trusts held in a trustee capacity that are consolidated into the Restricted Trust Fund.

The Agency Funds account for assets held by the State as an agent for other governmental units, other organizations, or individuals.

4. Account groups account for the State's fixed assets and long-term debt obligations:

The General Fixed Assets Account Group is used to account for land, buildings, and equipment of the governmental fund types. Fixed assets of the Pension Trust Funds, proprietary fund types, and colleges and universities are accounted for separately in their respective funds.

The General Long-Term Obligation Account Group accounts for the State's unmatured long-term obligations related to general obligation bonds, revenue bonds, and capital lease obligations. Long-term obligations of the Proprietary Funds, Trust Funds, and the College and University Funds are accounted for in their respective funds.

5. The component units include College and University Funds and other proprietary type organizations which are legally separate from the State but are considered part of the reporting entity. The presentation of the underlying fund types of the individual component units reported in the discrete columns are available from each respective component unit's separately issued financial statements.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using the flow of current financial resources measurement focus. Operating statements of these funds present increases in spendable resources as revenues and other financing sources, and decreases in spendable financial resources as expenditures and other financing uses.

The Nonexpendable Trust Fund, Pension Trust Funds, and all proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

All governmental funds, Expendable Trust Funds, and Agency Funds are maintained and reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and related current assets are recognized when measurable and when available to finance operations during the year or to liquidate liabilities existing at the end of the year. Principal revenue

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

sources susceptible to accrual under the modified accrual basis of accounting include sales taxes, income taxes, other taxpayer-assessed taxes, federal revenues, departmental collections, and investment income. Expenditures are recorded when the fund liabilities are incurred. Modifications to the accrual basis of accounting include:

- Inventories of materials and supplies in the General Fund and Special Revenue Funds are recorded as expenditures when purchased, except for the following which are recorded as expenditures when consumed: food stamp inventories in the General Fund, inventories of applied technology centers in the Uniform School Fund (Special Revenue Funds), and inventories in the Transportation Fund (Special Revenue Funds).
- Prepaid expenses are immaterial and are not reported.
- Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments of interest to be made early in the following year.

The accounts of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust, Investment Trust, and Proprietary Type Component Unit Funds are reported using the accrual basis of accounting. Under the accrual basis, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The following proprietary funds apply all Governmental Accounting Standards Board (GASB) pronouncements and all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, in the accounting and reporting of their operations: Enterprise Funds — Alcoholic Beverage Control, Utah Correctional Industries, State Trust Lands Administration, Agriculture Loan Fund, Clean Fuels Vehicle Loan Fund, Petroleum Storage Tank Loan Fund, Revitalization Programs, and Critical Land Conservation Fund; Internal Service Funds — Water Resources Loan Fund, Information Technology Fund, Community Impact Loan Fund, Transportation Infrastructure Loan Fund, General Services Fund, Fleet Operations, Human Services/Internal Service Fund, Office of Education/Internal Service Fund, Natural Resources/Internal Service Fund, Risk Management Fund, Property Management Fund, and State Debt Collection; Component Units — Utah Housing Corporation, Technology Finance Corporation, Comprehensive Health Insurance Pool, Utah Science Center Authority, and Utah State Fair Corporation.

The following proprietary funds apply all GASB pronouncements and all applicable FASB pronouncements in the accounting and reporting of their operations: Enterprise Funds — Student Assistance Programs and Utah Dairy Commission; Internal Service Funds — Employees Group Insurance Fund; Component Units — Heber Valley Historic Railroad Authority.

The Component Unit College and University Funds are accounted for on the accrual basis of accounting, with the following exceptions:

- Depreciation expense related to plant fund assets is generally not recorded.
- Revenues and expenditures of an academic term encompassing more than one fiscal year are reported solely in the fiscal year in which the program is predominantly conducted.

The presentation of component units is not meant to be a consolidation since transactions within the state entity have not been eliminated, nor have fixed assets or long-term debt been reported in the applicable state account groups. However, appropriations to the component units are recorded as operating transfers out of the General Fund and as operating transfers into the component unit organization.

D. Budgeting and Budgetary Control

The state budgets are adopted on the modified accrual basis of accounting except for certain intrafund revenues and expenditures that are recognized for budgetary purposes. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual, includes this variation from GAAP and is, therefore, prepared on a budgetary basis. The total variance from GAAP consists of the elimination of the intrafund activity and appropriations to colleges and universities which are identified in the combined statement mentioned above.

The Legislature enacts annual budgets for the General Fund, Special Revenue Funds, and the Debt Service Fund through passage of the annual *Appropriations Act*. Capital Projects Fund appropriations are for projects that may extend over several fiscal years.

Unexpended balances at yearend may: 1) lapse to unrestricted balances and be available for future appropriation; 2) lapse to restricted balances and be available for future appropriation restricted for specific purposes as defined by statute; or 3) be nonlapsing, which means balances are reported as reservations of fund balance. The nonlapsing balances are considered automatically reappropriated as authorized by statute, by the *Appropriations Act*, or by limited encumbrances.

Legal Compliance — Budgets

In September of each year, all agencies of the government submit requests for appropriations to the Governor's Office of Planning and Budget so that a budget may be prepared. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

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In January and February, the proposed budget is presented to the Legislature. The Legislature reviews the budget, makes changes, and prepares the annual *Appropriations Act*. The Legislature passes the *Appropriations Act* by a simple majority vote. The *Appropriations Act* becomes the State's authorized operating budget upon the Governor's signature. The appropriations may not exceed the available funding for the fiscal year.

Budgetary control is maintained at the functional or organizational level, as identified by numbered line items in the *Appropriations Act*. Budgets may be modified if federal funding or revenue specifically dedicated for a line item exceeds original estimates in the *Appropriations Act*. If funding sources are not sufficient to cover the appropriation, the Governor is required to reduce the budget by the amount of the deficiency. Any other changes to the budget must be approved by the Legislature in a supplemental appropriation. During the fiscal year, supplemental appropriations of \$144.113 million were made for capital projects and \$70.139 million were provided to enhance various programs. The supplemental appropriations were possible because of increases in estimated unrestricted revenue and unreserved fund balances from prior years. However, due to a decrease in estimated revenues prior to yearend, the Governor reduced the budgetary allotments related to supplemental appropriations for capital projects by approximately \$56.6 million to cover the deficiency.

The departments which spend more than the authorized amount must submit a report explaining the overspending to the State Board of Examiners. The Board will recommend corrective action, which may include a request to the Legislature for a supplemental appropriation to cover the deficit. If a supplemental appropriation is not approved by the Legislature, the department must cover the overspending with the subsequent year's budget. In the General Fund, the State Courts Administrator's budget for juror and witness fees was overexpended by \$516 thousand and the Attorney General's budget was overexpended by \$493 thousand. These deficits will be funded with future appropriations. In the Transportation Fund (Special Revenue Fund), the budget for equipment management was overexpended by \$625 thousand. This will be recovered from future year revenues and appropriations. All other appropriated budgets of the State were within their authorized spending levels.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded to reserve that portion of the applicable appropriation, is used in the Capital Projects Fund as explained in Note 6. Generally, state law prohibits the use of current fiscal year appropriations to cover outstanding encumbrances at fiscal yearend in the General Fund or Special Revenue Funds. However, the one exception to this rule is if a purchase order for equipment is issued prior to May 1 and delivery is expected, but

unfulfilled, by June 30. If these conditions are met, the outstanding encumbrance can be carried as a nonlapsing appropriation.

These nonlapsing appropriations for qualified outstanding encumbrances at fiscal yearend are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during subsequent years.

All other encumbrances outstanding at fiscal yearend may be canceled or may be re-encumbered and honored with subsequent year appropriations.

E. Cash and Cash Equivalents and Investments

Cash and investment management in the State is administered by the State Treasurer in accordance with the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. The Act specifies the investments that may be made, which are only high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The investments include variable rate corporate notes and obligations of U.S. government agencies which base their rates on standard quoted money market indexes that have a direct correlation to the federal funds rate and, therefore, there is very little market risk because the investments follow the normal swings of interest rates. The Pension Trust Funds; Deferred Compensation 457 Plan (Expendable Trust Fund); Utah Housing Corporation and Utah Technology Finance Corporation (Component Units—Proprietary Funds); and Utah Public Employees Group Insurance (Internal Service Fund) are exempt from the Act; however, they are governed statutorily by the prudent man rule. The Pension Trust Funds are invested in domestic and international equities and fixed income, corporate and government bonds, short-term securities, real estate and real estate mortgages, joint ventures, and venture capital.

- Cash and Cash Equivalents — Cash equivalents are reported at fair value. All interest revenue is allocated to the General Fund unless state law or trust agreements require allocations of interest to other funds. Funds authorized to receive interest earnings are segregated into separate investment pools, and interest is allocated based on cash balances in the pool.

Cash and cash equivalents, as reported on the balance sheet, are under the control of the State Treasurer or other administrative bodies as determined by law. All cash deposited with the State Treasurer by state entities is maintained by the Treasurer in various pooled investment funds. The State Treasurer invests the deposited cash, including the cash float, in short-term securities and other investments.

Cash equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date. The Student Assistance Programs (Enterprise Fund) use a trustee for their long-term investing needs, and they consider any cash and cash equivalents held by

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their trustee as investments. Trust Lands (Nonexpendable Trust Fund) and Employers' Reinsurance Trust (Expendable Trust Fund) consider assets held in mutual funds as investments. Utah Housing Corporation (Component Units – Proprietary Funds) considers only cash deposits, including certificates of deposits with maturities generally less than 90 days, to be cash equivalents.

- Investments, as reported on the balance sheet, include investments which are not considered cash equivalents. These investments may be restricted by law or other legal instruments. Investments are under the control of the State Treasurer or other administrative bodies as determined by law. Investments are presented at fair value. The fair value of investments is based on published prices and quotations from major investment brokers at current exchange rates, as available. For investments where no readily ascertainable fair value exists, management, in consultation with their investment advisors, have determined the fair values for the individual investments. Investments held as security deposits which are not held for investment purposes are carried at cost. The Utah Retirement Systems (Pension Trust Funds) mortgages are valued on an amortized cost basis which approximates fair value, and the fair value of real estate investments has been estimated based on independent appraisals.

The State's Unemployment Compensation Trust (Expendable Trust Fund) moneys are required by the Social Security Act to be invested in the U.S. Department of Treasury, Bureau of Public Debt Unemployment Trust Fund (BPDUTF), which is not registered with the SEC. The fair value of the position in the BPDUTF is the same as the value of the BPDUTF shares.

The investments for College and University Funds (Component Unit) include \$5.374 million of revenue bonds issued by the Utah Housing Corporation (Component Unit). The investments for component units include \$345.344 million managed in the primary government's Public Treasurer's Investment Fund.

- Colleges and Universities — Certain funds are held in trust by external fiscal agents, selected by the donors. The agents distribute net income earned by such funds to the college or university named as beneficiary, where it is recorded as revenue when received. These funds are not recorded on the financial records of the college or university. The fair value of funds held in trust at June 30, 2001, was \$52.052 million.

F. Receivables

- Accounts receivable in the governmental fund types consist mainly of the following: 1) amounts due from the federal government where collection is reasonably assured, accordingly, no allowance for uncollectible accounts has been established;

2) amounts due from non-custodial parents and other individuals for the State's Office of Recovery Services receivables, net of an allowance of \$47.703 million; and 3) amounts due from individuals for court and corrections related fines and fees, net of an allowance of \$6.15 million.

- Amounts included in Fleet Operations (Internal Service Fund) consist largely of amounts due from other public entities, and are shown net of an allowance for doubtful accounts of \$131 thousand. Amounts included in the Unemployment Compensation Trust (Expendable Trust Fund) consist largely of employer contributions for the quarter ended June 30 which were due to the State by July 31, and delinquent employer contributions and benefit overpayments, and are shown net of an allowance for doubtful accounts of \$5.057 million. Utah Retirement Systems (Pension Trust Funds) receivables consist of amounts due on investment contracts and on employee and employer contributions. Collection of these receivables is reasonably assured; therefore, no allowance for uncollectible accounts has been established.
- Accounts receivable (including pledges receivable) and notes receivable reported in the College and University Funds (Component Units) are shown net of an allowance for doubtful accounts of \$44.723 million and \$1.261 million, respectively. Gifts and pledges (promises of donations) are recognized when all applicable eligibility requirements are met and collection is probable. At June 30, 2001, \$16.908 million of pledges were unrecorded because applicable eligibility requirements were not yet met.
- Notes/mortgages receivable are primarily long-term loans for local governments and agricultural development, home mortgages, and individual student loans. The interest rates on the loans vary but are generally lower than market rates and, in some cases, are non-interest bearing. Student loans in the Student Assistance Programs of the Enterprise Funds are fixed and variable rate federally insured loans. Student loans are insured at 98 percent of their principal balance and, accordingly, an allowance of \$3.156 million has been made for potential loan losses. Loans receivable in Utah Technology Finance Corporation are reported net of a provision for loan losses of \$1.943 million. Utah Housing Corporation has recorded an allowance of \$535 thousand as a provision to cover losses on loans made.
- Designated accrued taxes include receivables for taxpayer-assessed taxes where the underlying exchange has occurred in the period ending June 30 or prior, net of applicable estimated refunds and an allowance of \$126.218 million. At June 30, 2001, changes in taxes receivable in the General Fund and Uniform School Fund resulted in a negative revenue of \$139 thousand and \$4.163 million in Restricted Taxes on the General Fund and Uniform School Fund's operating statements, respectively.

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- Receivables unbilled represent an amount equal to costs incurred by the Department of Transportation on highway construction projects which are eligible for reimbursement from the federal government upon modification of the related project contracts. When federal funds are available for recovery of the costs, the receivables will be billed.

G. Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

H. Inter/Intrafund Transactions

Interfund Transactions — The State has three types of interfund transactions, as follows:

- Services rendered and employee benefit contributions — These transactions are accounted for as revenues, expenditures, or expenses in the funds involved.
- Operating appropriations/subsidies — These are accounted for as operating transfers in the funds involved.
- Equity and working capital contributions — These are accounted for as residual equity transfers (additions to or deductions from beginning governmental fund balances or proprietary fund retained earnings or contributed capital).

The composition of the State's interfund receivables and payables at June 30, 2001, is presented in Note 5. Operating and residual equity transfers are presented in Note 12.

Intrafund Transactions — Intrafund transactions, as a result of contracts between departments and/or agencies within the same fund, are considered expenditures by the contractor and revenues by the contractee for budgetary purposes. However, in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances, intrafund revenues and expenditures have been eliminated. The amount of the eliminations by fund is reflected in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.

I. Inventories

Inventories of materials and supplies are determined both by physical counts and through perpetual inventory systems. Proprietary Funds and College and University Funds inventories are valued at the lower of cost or market. Cost evaluation methods include first-in-first-out (FIFO), last-in-first-out (LIFO), average

cost, weighted average, weighted moving average, and retail inventory method.

Governmental fund inventories are recorded as expenditures when purchased except for the following which are recorded as expenditures when consumed: inventories for the Transportation Fund; inventories for applied technology centers in the Uniform School Fund; and food stamps coupon inventories in the General Fund. Transportation Fund inventories are valued using a weighted average cost. Applied technology center inventories are valued at cost, average cost, or lower of cost or market, using FIFO and retail methods. Food stamps are valued at coupon value and any unexpended balances at fiscal yearend are also reported as deferred revenues.

J. Fixed Assets

Fixed assets used in governmental-type operations (general fixed assets) are recorded as expenditures in the governmental funds, and the related assets are reported in the General Fixed Assets Account Group. Interest expense for fixed asset construction in the Enterprise Funds and in some colleges and universities is capitalized. All other interest expense incurred during construction of capital facilities is considered immaterial and is not capitalized. Public domain "infrastructure" general fixed assets are normally immovable and of value only to the State. Infrastructure, which includes roads, bridges, dikes, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, is not capitalized by the primary government or its proprietary fund type component units. Colleges and universities capitalize infrastructure as buildings and improvements.

- Land is stated at cost or estimated cost at the time of acquisition. Donated land is valued at its estimated fair market value at the donation date. The majority of land in the Nonexpendable Trust Fund was acquired under the federal *Enabling Act of 1894*. At June 30, 2001, the total land held by the trust fund is 3,465 million acres, and the majority of this land is included for reporting purposes at the assigned value of approximately one dollar per acre. The University of Utah (College and University Funds) has valued all land acquired through federal grants at three thousand dollars per acre.
- Buildings and other fixed assets are recorded at historical cost or at estimated historical cost where historical cost is not available. Donated fixed assets are valued at their estimated fair value at the date of donation.
- Fixed assets in the General Fixed Assets Account Group and in the College and University Funds are not depreciated, except for Utah State University and foundations and component units' fixed assets, which are included in the College and University Funds, and are stated net of accumulated depreciation of \$198.343 million. Buildings and equipment of Utah State University and the foundations and

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other component units and proprietary and fiduciary fund types are depreciated on a straight-line basis over their estimated useful lives, which extends to 40 years on buildings and 3 to 15 years on equipment. Automotive equipment in the Internal Service Funds is depreciated using a straight-line basis over an estimated life of 2 to 10 years depending on type.

- During the fiscal year, the College of Eastern Utah (CEU) and the Salt Lake Community College (SLCC) increased their equipment capitalization limits from \$500 to \$1,000 and to \$5,000, respectively. The effect was a one-time \$1.303 million and \$22.456 million decrease in CEU's and SLCC's recorded fixed assets.

K. Deferred Charges

The amounts reported as deferred charges represent issuance costs on bonds amortized over the life of the issue using the bonds-outstanding method or straight-line method, which approximates the effective interest method.

L. Accrued Liabilities

Accrued liabilities include the liability for employee payrolls and liabilities accruing over time where demand for payment is due shortly after fiscal yearend. Interest accrued on general long-term debt due shortly after fiscal yearend is also reported in the Debt Service Fund as accrued liabilities.

The *Tax Reform Act of 1986* requires governmental entities issuing tax-exempt bonds to refund to the U.S. Treasury interest earnings on bond proceeds in excess of the yield on those bonds. Governmental entities must comply with arbitrage rebate requirements in order for their bonds to maintain tax-exempt status. Entities are required to remit arbitrage rebate payments to the federal government at least once every five years over the life of the bonds. Some State of Utah bonds may be exempt from the rebate requirements if they meet certain statutory exceptions per the regulations.

In the Debt Service Fund and the Utah Housing Corporation Fund (Component Unit), the arbitrage liability is treated as a reduction of interest revenues. At June 30, 2001, the State's total estimated arbitrage rebate liabilities in these funds were \$863 thousand and \$1.116 million, respectively. In the Student Assistance Programs Fund (Enterprise Fund) and the College and University Funds (Component Units), the arbitrage liability is treated as a current expense. At June 30, 2001, the total estimated arbitrage rebate liability in the Student Assistance Programs Fund was \$31.85 million, of which \$27.807 million represents yield reduction payments. In the College and University Funds, at June 30, 2001, the estimated liability for non-purpose interest arbitrage rebate was \$2.075 million.

M. Deferred Revenue

Deferred revenues are recorded in governmental funds and expendable trust funds for revenues that are not collected soon enough after yearend to be used to pay expenditures and liabilities of the current fiscal year. Deferred revenues are also recorded for federal funds received in advance of the authorized expenditure. Special Revenue Funds' deferred revenues include amounts expended by the Transportation Fund on federally participating construction projects which are eligible for reimbursement but for which the funds are not available until a modified project agreement is submitted. These amounts will be billed to the federal government and recorded as revenue in future periods as funds become available. College and University Funds' deferred revenues consist primarily of summer school tuition and fees which will be recognized during the next fiscal year. Deferred revenues for the Student Assistance Programs Fund (Enterprise Fund) are primarily guarantee fees which are recognized as income over a period of ten years using the sum-of-the-years-digits method.

N. Contractor Retention

Construction contracts awarded by the Department of Transportation (Special Revenue Fund) and those in the Capital Projects Fund usually include provisions to withhold a percentage of the payments until the project reaches a certain stage of completion. Utah law allows the departments to deposit these funds in an escrow account at the contractor's trustee bank at the time the expenditure is recognized. The State controls only the release of these funds; the assets in the accounts are considered the property of the contractor. Therefore, no assets and liabilities for these escrow accounts have been included in the financial statements in either the Transportation Fund or the Capital Projects Fund. At June 30, 2001, \$14.457 million from the Department of Transportation and \$5.03 million from the Capital Projects Fund were being held in contractor escrow accounts.

O. Policy Claim Liabilities

The liabilities are for insurance claims incurred prior to the reporting date and are based on actuarial estimates.

P. Grants

Federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs. All federal reimbursement-type grants in governmental and college and university funds are recorded as revenues when the related allowable expenditures are incurred and all applicable eligibility requirements are met.

Federal grants include nonmonetary transactions for food and other commodities, food stamps, and land. Unexpended balances of food stamps at fiscal yearend are reported in the General Fund as inventory

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and deferred revenue. Commodities revenue and expenditures are valued at their federally reported value. Commodity inventories at yearend are immaterial. For the fiscal year ended June 30, 2001, the State reported revenue and expenditures of \$55.741 million for food assistance programs and \$7.742 million for commodities in the General Fund, and \$9.491 million for commodities in the Uniform School Fund (Special Revenue Fund).

Q. Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method or straight-line method, which approximates the effective interest method. Bond discounts in the College and University Funds are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method.

R. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants, contributions from the public, or working capital transfers from other funds. There were no external capital contributions during the fiscal year. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

S. Retirement and Employee Benefit Costs

Most state employees participate in a pension system and/or plan administered by Utah Retirement Systems. Contributions collected for the pension systems and plans and the retirement benefits paid are both accounted for in the Pension Trust Funds. All costs for pension, health, and federal social security benefits in governmental fund types are reported as personal service expenditures in the appropriate fund. Benefit costs applicable to proprietary fund types are reflected as expenses in the proprietary funds.

T. Compensated Absences and Leave/Postemployment Benefits

Employees' vacation leave is accrued at a rate of four hours every two weeks for the first five years of employment, and grows to a rate of seven hours every two weeks after 20 years of employment. There is no requirement to use vacation leave, but a maximum of 40 days may be carried forward at the beginning of each calendar year. Unused vacation leave is paid to employees upon termination.

Employees earn sick leave at a rate of four hours for each two week period, with no limit to the amount that can be accumulated. The

State does not reimburse employees for unused sick leave upon termination except employees eligible for retirement. Sick leave is expended when used. At retirement, the State will pay an employee up to 25 percent of the employee's accumulated sick leave and will pay for premiums to maintain health and life insurance coverage for up to five years or until the employee turns age 65, whichever comes first. The employee may use any remaining sick leave balances to acquire health insurance to age 65, and since fiscal year 1999, health insurance for the employee's spouse until they reach age 65, and Medicare supplement insurance after age 65 for both the employee and their spouse. An estimate of the liability for the above leave and retirement benefits has been recorded in the operating funds of the State if funding was available.

In fiscal year 1994, the State implemented compensated absences and postemployment benefit pools within the General Fund and Special Revenue Funds. The pools hold assets to fund the liability for vacation leave and postemployment benefits. If the liability exceeds available funds in the pools they are reported in the Long-Term General Obligation Account Group. The pools' liabilities were funded with a one-time increase in fund equity from the accrual of taxpayer-assessed taxes. The pool is also funded with an accrual of the federal receivables for the federal share of the liability. The ongoing payments from the pools are provided by charges to agency budgets as benefits are earned. Vacation leave taken as time off is paid from current budgets when used. Payment of leave balances at termination and payment of postemployment benefits are made from the compensated absences and postemployment benefit pools.

The General Fund and Special Revenue Funds account for their liability for compensated absences and postemployment benefits within their own funds. Certain proprietary funds and expendable trust funds of the primary government have transferred their liability for vacation leave and postemployment benefits, along with related assets to fund the liability, to the General Fund Compensated Absences and Postemployment Benefit Pool.

The total liability for the primary government for vacation leave and postemployment benefits at June 30, 2001, was \$303.056 million, of which \$199.715 million was reported in the General Fund, \$20.97 million was reported in the Uniform School Fund, \$39.583 million was reported in the Transportation Fund, \$41.234 million was reported in the General Long-Term Obligation Account Group, and \$1.554 million was reported in the Pension Trust Funds by Utah Retirement Systems.

Compensatory time for overtime worked may be earned up to a maximum of 80 hours. Any overtime exceeding 80 hours is paid when earned. Compensatory time is expended when earned.

College and Universities' (Component Units) vacation earnings, sick leave earnings, and postemployment benefits policies vary slightly among institutions and from the above. Vacation leave is expended when earned and sick leave is expended when used. At June 30, 2001, the total liability for unused vacation leave and postemployment benefits in the College and University Funds was \$54.803 million.

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U. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Obligation Account Group. Capital Appreciation Bonds are reported in the General Long-Term Obligation Account Group at the original issue amount plus accreted interest. Long-term liabilities expected to be financed from proprietary funds, trust funds, and college and university funds operations are accounted for in those funds.

The amounts reported in the Combined Balance Sheet for the General Long-Term Obligation Account Group include: \$1.146 billion general obligation bonds, which will be paid from the General Fund and Special Revenue Fund appropriations as the bonds mature; \$237.193 million building lease revenue bonds, which will be repaid from rent payments from state agencies; \$3.93 million revolving loan revenue bonds, which are secured by notes receivable in the General Fund's Water Security Enhancement Revolving Loan Programs and will be paid from the collection of loans receivable; \$16.174 million of obligations under capital lease commitments; and \$41.234 million of postemployment benefits which will be paid by the General Fund (see Notes 7 and 8).

V. Totals (Memorandum Only)

Total columns (Memorandum Only) have been added to certain statements for the primary government and the reporting entity. The total columns include interfund activity and are not comparable to consolidated financial statements, but are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. The primary government includes all funds, organizations, account groups, agencies, boards, commissions, and authorities that are not legally separate from the State. The reporting entity includes the primary government and all of its component units.

W. Future Changes in Accounting Standards

The Governmental Accounting Standards Board has issued Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*; Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*; Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*. These new accounting and reporting standards will impact the State's revenue and

expenditure recognition and assets, liabilities and fund equity reporting. The new standards will also require reformatting of the financial statements and the restating of beginning balances. The State will not be early implementing these statements, and due to the significance of the changes required, it is not possible to present pro-forma data prior to their implementation. Statements No. 34, 35, 37 and 38 will be implemented in fiscal year 2002.

NOTE 2. BEGINNING FUND BALANCE/EQUITY ADJUSTMENTS AND OTHER CHANGES

Beginning Fund Balance/Equity Adjustments

An adjustment to reduce beginning retained earnings of the Component Units – Proprietary Funds of \$259.252 million was made in order to eliminate the beginning retained earnings for the Workers' Compensation Fund. As discussed in Note 1.A., the Workers' Compensation Fund was reevaluated and is no longer considered to be a discrete component unit and has been excluded from the financial statements.

Utah State University elected to begin recording depreciation for fixed assets in order to meet federal costing requirements and to present more fairly the value of its net investment in fixed assets. Beginning fund balance in the Component Units – College and University Funds was reduced by \$167.281 million to reflect accumulated depreciation through June 30, 2000. Utah State University also adjusted the value of certain buildings previously carried at an appraised value to an estimated historical cost value. Beginning fund balance was reduced by \$11.282 million for this change.

The applicable prior year total columns have been adjusted to reflect these changes.

GASB Statement 33 Changes

Statement 33 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting for Nonexchange Transactions*, was implemented. This statement requires receivables and revenues to be reported for "derived tax revenues" when the underlying exchange has occurred, and for "imposed nonexchange revenues," such as fines, when an enforceable legal claim has arisen. However, reporting nonexchange revenues requires that they be measurable and meet the "availability" criteria of modified accrual accounting as applicable. Based on implementing Statement 33 and reevaluating the reporting of other exchange-like transactions, the following additional receivables have been reported on the balance sheet.

- Designated accrued taxes of \$37.414 million, \$248.301 million, and \$4.435 million are reported net of allowances of \$17.065 million, \$107.25 million, and \$1.903 million in the General Fund, Uniform School Fund, and Transportation Fund, respectively. This includes delinquent taxes and estimated

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taxes net of estimated refunds, where the underlying exchange has occurred prior to yearend, but collection was not made within 45 days of yearend. In prior years, designated accrued taxes included only taxes collected within 45 days of yearend.

- Accounts receivable of \$143.601 million have been reported in the General Fund for amounts due from non-custodial parents and other individuals for the State's Office of Recovery Services receivables, net of an allowance of \$47.703 million.
- Accounts receivable of \$24.708 million have been reported in the General Fund for amounts due from individuals for court and corrections related fines and fees, net of an allowance of \$6.15 million.
- Accounts receivable of \$19.008 million have been reported in the Unemployment Compensation Trust – Expendable Trust Fund, for employer contributions for the quarter ended June 30 which were due to the State by July 31.

For all of the above receivables, none of the related revenues were collected timely enough to be available to pay current year liabilities. Therefore, the corresponding revenues were deferred in the financial statements and there is no effect on fund balances. Due to the impracticality of obtaining prior year amounts, the receivables and deferred revenues reported as of June 30, 2000, in the Total (Memorandum Only) columns of the Combined Balance Sheet have not been restated.

Statement 33 also requires pledges (promises of donations) to be recognized when all applicable eligibility requirements are met and collection is probable. As a result, additional revenue and accounts receivable of \$65.698 million (net of allowance for doubtful accounts) have been reported in the College and University Funds (Component Units) for pledges. In prior years, pledges were recognized when received. Statement 33 does not require adjustments or restatements of prior year amounts for changes related to pledges, and accordingly, none were made.

Unusual Reduction in Actuarial Estimates (Trust and Agency Funds)

The Employers' Reinsurance Fund (Expendable Trust Fund) is liable for claims incurred prior to July 1, 1994. The estimated actuarial liability has changed as better information is available from claims being reported and paid. This resulted in a gain of \$18.336 million, which is reported as miscellaneous revenue in the Trust and Agency Funds.

NOTE 3. DEPOSITS AND INVESTMENTS

Listed below is a summary of the deposit and investment portfolio that represents the cash and cash equivalents and investments on the

June 30, 2001, balance sheet. Investing is governed by the prudent man rule, in accordance with the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. Except certain repurchase agreements, all securities of the primary government purchased or held and all evidence of deposits and investments must be in the custody of the State, or may be held by an agent in the State's name. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities.

A. Deposits

At June 30, 2001, the carrying amount of the State's deposits for the primary government was \$133.385 million and \$101.113 million for the component units. At June 30, 2001, the bank balance was \$174.372 million and \$128.378 million for the primary government and component units, respectively. Of the bank balance for the primary government, \$4.093 million was covered by the Federal Deposit Insurance Corporation (FDIC) or by collateral held by the State's agent in the name of the State. Of the bank balance for the component units, \$3.734 million was covered by the FDIC or by collateral held by the State's agent in the name of the State. The remaining deposits for the primary government and component units were uninsured and uncollateralized and were held by various financial institutions. The State of Utah does not require collateral on deposits. However, the State Commissioner of Financial Institutions monitors financial institutions monthly and establishes limits for the deposit of public money at individual financial institutions.

B. Investments

Statutes authorize the State to invest in negotiable and non-negotiable certificates of deposit; repurchase and reverse repurchase agreements; commercial paper; bankers' acceptances; obligations of the U.S. Treasury and certain agencies of the U.S. Government; corporate obligations; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; shares or certificates in open-end managed money market mutual funds; and various other investments. Authorized investments are subject to certain restrictions. Certain state agencies and component units are also allowed by statute to invest in investment contracts, equity securities, real estate, and other investments. In addition to investments authorized by statute, bond proceeds are invested in other investments in accordance with the applicable bond resolutions. Investment types for Pension Trust Funds and certain other funds and component units are not restricted by state statute.

The following table provides information about the credit and market risks associated with the State's investments. Category 1 includes investments that are insured or registered, or for which the securities are held by the State or its agent in the State's name.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and

unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the State's name.

Credit and Market Risks of Investments – Primary Government

(Expressed in Thousands)

	Category			Fair Value
	1	2	3	
Repurchase Agreements	\$ —	\$ 1,062	\$ 25,407	\$ 26,469
U.S. Government Securities	293,690	4,174	—	297,864
Negotiable Certificates of Deposit	105	—	—	105
Commercial Paper	109,930	—	—	109,930
Corporate Bonds and Notes	7,365,739	—	—	7,365,739
Equity Securities	7,280,779	—	—	7,280,779
Total	<u>\$ 15,050,243</u>	<u>\$ 5,236</u>	<u>\$ 25,407</u>	15,080,886
Mutual and Escrow Funds.....				1,448,846
Investment Contracts				66,702
Investment in U.S. Treasury				
Investment Pool.....				597,903
Component Units Investment in Primary				
Government's Investment Pool				(345,344)
Real Estate.....				625,778
Real Estate Mortgages.....				3,473
Real Estate Joint Ventures				509,866
Venture Capital.....				1,049,887
Investments Held by Broker-Dealers Under				
Securities Lending Program:				
U.S. Government Securities				579,861
Equity Securities				602,859
Corporate Bonds and Notes.....				264,797
Securities Lending Short-Term Collateral				
Investment Pool.....				1,501,058
Total Investments				<u>\$ 21,986,572</u>

The Pension Trust Funds own approximately 68.2 percent of the investments that are in Category 1.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Credit and Market Risks of Investments – Component Units (Expressed in Thousands)

	Category			Fair Value
	1	2	3	
Repurchase Agreements.....	\$ —	\$ 3,000	\$ 16,783	\$ 19,783
U.S. Government Securities.....	178,930	111,056	24,155	314,141
Negotiable Certificates of Deposit.....	2,133	—	546	2,679
Commercial Paper	—	—	1,999	1,999
Corporate Bonds and Notes.....	6,610	1,075	1,526	9,211
Equity Securities.....	25,984	17,332	15,574	58,890
Municipal and Public Utility Bonds	4,334	—	1,420	5,754
Total.....	<u>\$ 217,991</u>	<u>\$ 132,463</u>	<u>\$ 62,003</u>	<u>412,457</u>
Mutual and Escrow Funds				422,667
Investment Contracts				190,130
Investment in Primary Government's Investment Pool				345,344
Real Estate				12,725
Total Investments.....				<u>\$ 1,383,323</u>

C. Securities Lending

The Utah Retirement Systems (Pension Trust Funds) and the Utah Public Employees Group Insurance Program (Internal Service Funds) participate in security lending programs as authorized by their Boards. The types of securities lent are U.S. government securities, equity securities, and corporate bonds and notes. Under these programs, securities are transferred to an independent broker or dealer in exchange for collateral in the form of cash, government securities, and irrevocable bank letters of credit equal to 102 percent of the market value of the domestic securities on loan and 105 percent of the market value of the international securities on loan, with a simultaneous agreement to return the collateral for the same securities in the future. There are no restrictions on the amount of loans that can be made. For both state entities, their custodial agent is the agent for its securities lending program. Securities under loan are maintained in both state entities' financial records and are presented as unclassified in the preceding summary of custodial risk. Corresponding assets and liabilities for collateral received, which can be pledged or sold without a borrower default, are recorded at the fair value. At yearend there was no collateral which cannot be pledged or sold without a borrower default.

At yearend neither the Utah Retirement Systems nor Utah Public Employees Group Insurance Program had any credit risk exposure to borrowers because the collateral exceeded the amount borrowed. The securities on loan at yearend for the entities were \$1.411 billion and \$36.288 million, respectively, and the collateral received for those securities on loan was \$1.465 billion and \$36.288 million,

respectively, with carrying amount and fair value being the same. Under the terms of the lending agreement, both state entities are indemnified against loss should the lending agent be unable to recover borrowed securities and distributions due to borrower insolvency or failure of the lending agent to properly evaluate the creditworthiness of the borrower. In addition, they are indemnified against loss should the lending agent fail to demand adequate and appropriate collateral on a timely basis. All securities loaned can be terminated on demand by either the state entity or the borrower. Cash collateral is invested in the lending agent's short-term investment pool. The short-term investment pool guidelines specify that a minimum of 20 percent of the invested cash collateral is to be available each business day and that the dollar weighted average maturity of holdings should not exceed 60 days. The relationship between the maturities of the short-term investment pool and each of the state entities' loans is affected by the maturities of the securities loans made by other entities that use the agent's pool. This cannot be determined by the state entities. Since the securities lending collateral is in a pool maintained by the custodial bank, it was not necessary to report the total income and expenses of securities lending.

D. Derivative Financial Instruments

The Utah Retirement Systems (Pension Trust Funds) invests in derivative financial investments as authorized by Board policy. As of yearend, the Systems had two types of derivative financial instruments: futures and currency forwards.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Futures represent commitments to purchase (asset) or sell (liability) securities or money market instruments at a future date and at a specific price. Futures contracts are traded on organized exchanges (exchange traded), thereby minimizing the Systems' credit risk. The net change in the futures contract value is settled daily in cash with the exchanges. Net gains or losses resulting from the daily settlements are included with trading account securities gains (losses) in the Statement of Changes in Net Assets. At yearend the Systems' investments had the following future balances (expressed in millions):

	Value Covered By Contract
Long-equity futures	\$ 82.570
Short-equity futures.....	\$ (65.400)
Long-fixed income futures	\$ 15.041
Short-fixed income futures	\$ (7.235)

Currency forwards represent forward foreign exchange contracts that are entered into in order to hedge the exposure to changes in foreign currency exchange rates on the foreign currency dominated portfolio holdings. A forward foreign exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in net realized gains or losses on foreign currency related transactions. At yearend the Systems' investments included the following currency forwards balances (expressed in millions):

Currency forwards (<i>pending foreign exchange purchases</i>)	\$ 742.454
Currency forwards (<i>pending foreign exchange sales</i>)	\$ (756.444)

The Utah Housing Corporation enters into various rate swap contracts as part of its overall funding strategy. The objective of these financial instruments is to increase the volume of funding available to purchase qualified homes under the Corporation's low to moderate-income programs. The Corporation's ability to keep its Single-Family program active without lags in funding is critical to its success. The federally imposed volume cap on tax-exempt bond issuances is inadequate to provide the resources currently demanded by these programs. To meet these demands and increase its funding

capabilities, the Corporation sells variable rate bonds. Floating-to-fixed interest rate swap contracts allows the Corporation to manage the inherent interest rate risk associated with variable rate debt. The amount of these contracts at June 30, 2001, is \$122.8 million.

NOTE 4. INVESTMENT POOL

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF) investment pool. The PTIF is available for investment of funds administered by any Utah public treasurer. Participation is not required and no minimum balance or minimum/maximum transaction is required. State agencies and funds that are authorized to earn interest also invest in the PTIF as an internal investment pool. No separate report as an external investment pool has been issued for the PTIF.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended. The Act establishes the Money Management Council which oversees the activities of the State Treasurer and the PTIF. The Act details the investments that are authorized which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor that enables them to adjust their statement balances to fair value.

The PTIF condensed financial statements, inclusive of external and internal participants for the fiscal year ended June 30, 2001, are as follows:

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Public Treasurer's Investment Fund
Statement of Net Assets
June 30, 2001
(Expressed in Thousands)

Assets	
Cash and Cash Equivalents	\$ 130,087
Investments	4,627,051
Interest Receivable	26,450
Net Assets.....	<u>\$ 4,783,588</u>
Net Assets Consist of:	
External Participant Account Balances	\$ 3,037,354
Internal Participant Account Balances:	
Primary Government	1,389,797
Component Units	345,344
Undistributed Reserves and Unrealized Gains/Losses	11,093
Net Assets.....	<u>\$ 4,783,588</u>
Participant Account Balance Net Asset Valuation Factor	<u>1.000074</u>

Public Treasurer's Investment Fund
Statement of Changes in Net Assets
For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

Additions	
Pool Participant Deposits	\$ 6,389,282
Investment Income:	
Investment Earnings	280,620
Fair Value Increases (Decreases).....	260
Total Investment Income	280,880
Less Administrative Expenses.....	149
Net Investment Income.....	<u>280,731</u>
Total Additions	<u>6,670,013</u>
Deductions	
Pool Participant Withdrawals.....	5,777,623
Earnings Distributions.....	278,649
Total Deductions.....	<u>6,056,272</u>
Net Increase From Operations	<u>613,741</u>
Net Assets	
Beginning of Year	4,169,847
Net Assets – End of Year.....	<u>\$ 4,783,588</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Deposits and Investments

The following disclosure of deposits and investments is for the Public Treasurer's Investment Fund, which includes external and internal participants. These assets are also included in Note 3, disclosure of deposits and investments for the state entity as a whole. Information on the type of deposits and investments and how they are held is disclosed in Note 3. At June 30, 2001, the PTIF investments included certificates of deposit of \$59.5 million that

qualify as deposits. Of this amount, \$900 thousand was covered by the Federal Deposit Insurance Corporation (FDIC) and \$58.6 million was uninsured and uncollateralized and was held by various financial institutions. The following schedule provides information about the credit and market risks associated with the State's investments. Category 1 includes investments that are insured or registered, or for which the securities are held by the State or its agent in the State's name.

Public Treasurer's Investment Fund
Credit and Market Risks of Investments
June 30, 2001
(Expressed in Thousands)

	Category	Fair Value
	1	
U.S. Government Securities.....	\$ 239,956	\$ 239,956
Commercial Paper	105,767	105,767
Corporate Bonds and Notes.....	4,351,915	4,351,915
Total Investments.....	<u>\$ 4,697,638</u>	<u>\$ 4,697,638</u>

Public Treasurer's Investment Fund Portfolio Statistics:

June 30, 2001		
	Range of Yields	Weighted Average Maturity
Certificates of Deposit	4.00% – 5.23%	50 days
U.S. Government Securities.....	4.63% – 7.30%	392 days
Commercial Paper	4.15% – 4.35%	2 days
Corporate Bonds and Notes.....	3.80% – 7.24%	47 days
June 30, 2001		
	Weighted Average Yield	Average Adjusted Maturity
Total Investment Fund	4.42%	63 days

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 5. DUE FROM/TO OTHER FUNDS

At June 30, 2001
(Expressed in Thousands)

	Interfund Receivables	Interfund Payables
General Fund.....	\$ 39,889	\$ 9,702
Special Revenue Funds:		
Uniform School.....	1,726	503
Transportation	55,529	30,075
Centennial Highway Fund.....	17,156	55,335
Sports Authority Fund.....	—	1
State Capitol Fund	20	342
Consumer Education Fund.....	—	5
Rural Development Fund	—	34
Tobacco Endowment Fund.....	9	37
Capital Projects Fund.....	14,191	2,281
Debt Service Fund	16,628	170
Enterprise Funds:		
Alcoholic Beverage Control.....	243	10,506
Utah Correctional Industries	1,736	436
State Trust Lands Administration.....	1	4,720
Agriculture Loan Fund.....	6	17
Clean Fuels Vehicle Loan Fund	20	146
Revitalization Programs	—	38
Critical Land Conservation Fund.....	—	4
Internal Service Funds:		
Water Resources Loan Fund	95	8
Information Technology	4,659	1,871
Employees Group Insurance	—	1,295
Community Impact Loan Fund	—	51
General Services.....	2,027	1,836
Fleet Operations	4,213	17,035
Human Services/Internal Service	50	239
Office of Education/Internal Service.....	185	79
Natural Resources/Internal Service.....	899	1,774
Administrative Services Risk Management.....	1,568	1,046
Property Management	758	81
State Debt Collection	—	399
Trust and Agency Funds:		
Nonexpendable Trust	4,616	—
Expendable Trust:		
Unemployment Compensation Trust.....	1	3,424
Employers' Reinsurance Trust	—	4
Utah Navajo Trust	72	2
Restricted Trust	21	1,077
Agency:		
County and Local Collections Fund.....	6,811	—
Deposits, Suspense, and Miscellaneous	231	—
Component Units:		
Proprietary Funds:		
Utah State Fair Corporation	—	2
College and University Funds:		
University of Utah.....	1,154	17,720
Utah State University	—	896
Weber State University.....	—	5,446
Southern Utah University.....	—	—
Salt Lake Community College	—	1,853
Utah Valley State College	—	1,803
Dixie State College of Utah	—	—
College of Eastern Utah	—	1,698
Snow College	—	523
Total	\$ 174,514	\$ 174,514

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 6. FIXED ASSETS

Changes in the General Fixed Assets Account Group (Expressed in Thousands)

	Balance July 1, 2000	Additions	Retirements	Balance June 30, 2001
General Fixed Assets:				
Land	\$ 158,166	\$ 21,264	\$ 2,191	\$ 177,239
Buildings and Improvements	940,253	51,746	34,708	957,291
Machinery and Equipment	243,531	35,750	18,692	260,589
Construction-In-Progress	30,284	50,657	58,330	22,611
Total General Fixed Assets.....	<u>\$ 1,372,234</u>	<u>\$ 159,417</u>	<u>\$ 113,921</u>	<u>\$ 1,417,730</u>

At June 30, 2001, fixed assets for Enterprise Funds, Internal Service Funds, Trust Funds, and Component Units consisted of the following amounts (expressed in thousands):

	Primary Government			Component Units	
	Enterprise Funds	Internal Service Funds	Trust Funds	Colleges and Universities	Proprietary Funds
Land	\$ 10,352	\$ —	\$ 7,937	\$ 62,615	\$ 751
Buildings and Improvements	22,564	8,224	10,200	1,950,364	2,917
Machinery and Equipment	10,981	194,358	2,930	834,592	3,945
Accumulated Depreciation	(11,208)	(111,024)	(5,874)	(198,343)	(3,221)
Construction-In-Progress	300	961	—	185,511	—
Total Fixed Assets	<u>\$ 32,989</u>	<u>\$ 92,519</u>	<u>\$ 15,193</u>	<u>\$ 2,834,739</u>	<u>\$ 4,392</u>

Investment in General Fixed Assets by Source (Expressed in Thousands)

	2000	2001
General Fund	\$ 1,039,599	\$ 1,072,997
Special Revenue Funds:		
Uniform School Fund	101,677	106,489
Transportation Fund	196,660	210,611
Capital Projects Fund	30,284	22,611
Utah Navajo Trust Fund	4,014	5,022
Total Investment in General Fixed Assets.....	<u>\$ 1,372,234</u>	<u>\$ 1,417,730</u>

Construction-In-Progress retirements are transferred as additions to land and buildings. These additions represent land of \$8.7 million and buildings of \$49.6 million. If Construction-In-Progress expenditures are in excess of current authorization, deficits will be funded from additional appropriations for phase-funded projects, from additional funding from a participating agency, or from the capital projects contingency funds. Construction-In-Progress in the Capital Projects Fund at June 30, 2001, consisted of the following:

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Capital Projects Fund Construction-In-Progress (Expressed in Thousands)

Project	Description	Amount Authorized	Amount Expended	Balance Authorized
01020	DFCM Four Campus Classroom Project	\$ 50,757	\$ 222	\$ 50,535
98239	State Hospital Rampton Building Phase II	13,762	964	12,798
99006	National Guard – Camp Williams Readiness Center	9,018	852	8,166
97027	Vernal District Courts Building	7,207	5,980	1,227
99032	Corrections and Board of Pardons Building	6,938	6,481	457
97034	DNR/Wildlife Fountain Green Fish Hatchery.....	2,682	2,497	185
00015	Parks & Recreation Bear Lake State Park New Campground.	2,085	2,048	37
00017	Logan Courts Facility	2,001	1,799	202
00013	O/W ATC New MTCE Building/DDO Training Facility.....	1,582	743	839
00019	Utah Community Center for the Deaf Addition.....	1,253	171	1,082
00020	Cache Junction DOT Maintenance Station	911	32	879
—	All Others.....	1,142	822	320
	Total.....	<u>\$ 99,338</u>	<u>\$ 22,611</u>	<u>\$ 76,727</u>

The State had long-term construction project commitments totaling \$107.181 million at June 30, 2001. The following construction projects have remaining commitments and represent reservations of fund balance in the Capital Projects Fund:

Capital Projects Fund Construction Project Commitments (Expressed in Thousands)

Project	Description	Remaining Construction Commitment
00027	U of U Hospital Expansion	\$ 28,033
00011	USU – New Heating Plant.....	24,756
99006	Camp Williams Readiness Center	8,732
96165	UVSC – Information Science Building	6,073
98229	WSU – Ethel Wattis Kimball Visual Arts Building	4,928
97034	DNR/Wildlife Fountain Green Fish Hatchery.....	4,108
99036	SLCC – Applied Education Center Purchase.....	3,608
97003	UVSC – Student Center Expansion Phase III.....	3,113
99033	SLCC – Redwood Campus College Center Addition	2,874
98024	U of U – Cowles Building Renovation	2,451
00232	DOT – US Highway 40 Maintenance Station.....	1,534
99034	SLCC – Jordan Campus Student Activity Center	1,274
99220	WSU – Stewart Stadium Expansion	1,176
97027	Vernal District Courts Building	1,100
—	All Others.....	13,421
	Total Commitments.....	<u>\$ 107,181</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 7. LEASE COMMITMENTS

The State leases office buildings and office and computer equipment. Although the lease terms vary, most leases are subject to annual appropriations from the State Legislature to continue the lease obligations. If a legislative appropriation is reasonably assured, leases are considered noncancellable for financial reporting purposes and are reported in the General Long-Term Obligation Account Group or in the appropriate proprietary or college and university fund types described below.

Assets acquired through capital leasing are valued at the inception of the lease at either the lower of fair value or the present value of the future minimum lease payments. Capital lease obligations for the proprietary fund types are reported in those funds as long-term obligations. The related assets and depreciation of these assets are included in the proprietary funds. Capital leases for the College and University Funds are reported in those funds along with the related assets. Capital lease obligations for the governmental type funds are reported in the General Long-Term Obligation Account Group, and the related assets are reported in the General Fixed Assets Account Group.

General government capital lease payments of \$1.063 million in principal and \$1.204 million in interest for the fiscal year ended June 30, 2001, are reported as an expenditure by governmental function.

Operating leases (leases on assets not recorded in the balance sheet) contain various renewal options, as well as some purchase options. However, due to the nature of the leases, the related assets were not classified as capital assets. Any escalation clauses, sublease rentals, and contingent rents were considered immaterial to the future minimum lease payments and current rental expenditures. Operating lease payments are recorded as expenditures or expenses of the related funds when paid or incurred.

The total operating lease expenditures for fiscal year 2001, were \$26.335 million for the primary government and \$13.330 million for component units. For fiscal year 2000, the total operating lease expenditures were \$25.591 million for the primary government and \$15.281 million for component units. Future minimum lease commitments for noncancellable operating leases and capital leases as of June 30, 2001, were as follows:

Future Minimum Lease Commitments (Expressed in Thousands)

Fiscal Year	Operating Leases			Capital Leases			
	Primary Government	Component Units	Total	Primary Government		Component Units	
				Long-Term Obligation Account Group	Enterprise Funds	College and University Funds	Total
2002	\$ 17,189	\$ 15,259	\$ 32,448	\$ 2,353	\$ 83	\$ 15,448	\$ 17,884
2003	14,920	12,914	27,834	2,365	83	14,279	16,727
2004	12,181	11,182	23,363	2,358	20	12,712	15,090
2005	7,750	9,598	17,348	2,365	—	10,035	12,400
2006	5,460	7,828	13,288	2,361	—	5,714	8,075
2007–2011	6,916	31,334	38,250	8,135	—	49,535	57,670
2012–2016	1,887	1,426	3,313	2,776	—	1,308	4,084
2017–2021	473	175	648	1,107	—	—	1,107
2022–2026	211	179	390	799	—	—	799
2027–2031	—	62	62	—	—	—	—
Total Future Minimum Lease Payments	<u>\$ 66,987</u>	<u>\$ 89,957</u>	<u>\$ 156,944</u>	24,619	186	109,031	133,836
Less Amounts Representing Interest				8,445	18	25,981	34,444
Present Value of Future Minimum Lease Payments				<u>\$ 16,174</u>	<u>\$ 168</u>	<u>\$ 83,050</u>	<u>\$ 99,392</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Changes in Capital Lease Long-Term Obligations (Expressed in Thousands)

	Primary Government		Component Units	
	Long-Term Obligation Account Group	Enterprise Funds	College and University Funds	Total
Balance at July 1, 2000.....	\$ 13,947	\$ 259	\$ 55,323	\$ 69,529
Increase in Lease Obligations	3,290	—	68,728	72,018
Decrease in Lease Obligations.....	(1,063)	(91)	(41,001)	(42,155)
Balance at June 30, 2001	<u>\$ 16,174</u>	<u>\$ 168</u>	<u>\$ 83,050</u>	<u>\$ 99,392</u>

NOTE 8. BONDS AND NOTES PAYABLE

A. General Obligation Bonds

The State issues general obligation bonds to provide funds for acquisition, construction, and renovation of major capital facilities, highways, and water management for governmental activities. In addition, general obligation bonds have been issued to refund general obligation bonds, revenue bonds, and capitalized leases. General obligation bonds are secured by the full faith and credit of the State. Debt service requirements are provided by legislative appropriation from the State's general tax revenues. As of June 30, 2001, the State had \$15.35 million and \$132.25 million of authorized but unissued general obligation building and highway bond authorizations remaining, respectively. Of the remaining unissued

building and highway bonds, \$13.75 million and \$126.25 million were issued in July 2001, respectively.

During fiscal year 2001, the State issued \$15 million Series 2001A general obligation bonds. The proceeds were used for various state building projects.

In fiscal year 1999 the State issued \$358 million Series 1999 A, B, C, & D adjustable rate general obligation bonds. For fiscal year 2001, the State's average interest rate for the Series 1999 A, B, C & D adjustable rate bonds was 3.67 percent. In the general obligation bond debt service requirements to maturity schedule, the interest rate used to project debt service requirements was 4.5 percent.

General Obligation Bonds Payable presented in the General Long-Term Obligation Account Group consist of the following:

General Obligation Bonds Payable (Expressed in Thousands)

Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2001
1995 AB Capital Facility Issue.....	07/01/95	2001	6.00%	\$ 45,000	45,000
1996 Capital Facility Issue	07/01/96	2002	5.00%	\$ 20,000	20,000
1997 ABCDE Highway/Capital Facility Issue .	07/01/97	2001–2012	4.80% to 5.50%	\$ 200,000	200,000
1997 F Highway Issue	08/01/97	2001–2012	5.00% to 5.50%	\$ 205,000	205,000
1998 A Highway/Capital Facility Issue.....	07/07/98	2001–2012	5.0%	\$ 265,000	265,000
1999 ABCD Highway Issue	05/20/99	2001–2014	variable	\$ 358,000	358,000
1999 E Capital Facility Issue.....	07/01/99	2004	4.50%	\$ 38,000	38,000
2001 A Capital Facility Issue	01/24/01	2004	4.0%	\$ 15,000	15,000
Total General Obligation Bonds Payable					<u>\$ 1,146,000</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

General Obligation Bond Issues
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(Expressed in Thousands)

Fiscal Year	Principal					
	1995 AB Capital Facility	1996 Capital Facility	1997 A-E Highway/Capital Facility	1997 F Highway Bonds	1998 A Highway/Capital Facility	1999 A-D Highway Bonds
2002	\$ 45,000	\$ —	\$ 8,250	\$ 12,625	\$ 26,925	\$ —
2003	—	20,000	33,700	13,325	30,525	21,000
2004	—	—	49,175	14,075	38,150	21,700
2005	—	—	9,675	14,825	14,975	22,400
2006	—	—	10,200	15,625	15,850	23,200
2007–2011	—	—	60,025	91,300	93,725	129,000
2012–2016	—	—	28,975	43,225	44,850	140,700
Total	<u>\$ 45,000</u>	<u>\$ 20,000</u>	<u>\$ 200,000</u>	<u>\$ 205,000</u>	<u>\$ 265,000</u>	<u>\$ 358,000</u>

Continues Below

Fiscal Year	Principal				
	1999 E Capital Facility	2001 A Capital Facility	Total Principal Required	Interest Required	Total Amount Required
2002	\$ —	\$ —	\$ 92,800	\$ 51,415	\$ 144,215
2003	—	—	118,550	45,424	163,974
2004	—	—	123,100	39,132	162,232
2005	38,000	15,000	114,875	33,742	148,617
2006	—	—	64,875	30,485	95,360
2007–2011	—	—	374,050	98,763	472,813
2012–2016	—	—	257,750	11,421	269,171
Total	<u>\$ 38,000</u>	<u>\$ 15,000</u>	<u>\$ 1,146,000</u>	<u>\$ 310,382</u>	<u>\$ 1,456,382</u>

Changes in General Obligation Bonds
(Expressed in Thousands)

Balance at July 1, 2000.....	\$ 1,212,325
New Bonds Issued:	
2001 A Capital Facility.....	15,000
Bonds Retired.....	(81,325)
Balance at June 30, 2001	<u>\$ 1,146,000</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

B. Revenue Bonds

Revenue bonds payable consist of those issued by the Utah Housing Corporation, the Utah State Board of Regents Student Loan Purchase Program, the Utah State Building Ownership Authority, the State, and the various colleges and universities. These bonds are not considered general obligations of the State.

The Utah Housing Corporation bonds were issued to provide sources of capital for making housing loans to persons of low or moderate income. The bonds are secured by mortgages, and repayments are made from the mortgage payments. Outstanding bonds payable are reported in the component units. Of the total reported bonds payable, \$362 thousand represents deferred interest on revenue bonds outstanding.

The Utah State Board of Regents Student Loan Purchase Program bonds were issued to provide funds for student loans and are secured by all assets of the Board of Regents Revenue Bond Fund and by the revenues and receipts derived from such assets. Outstanding bonds payable are reported in the Enterprise Funds.

The Utah State Building Ownership Authority has issued bonds for the purchase and construction of facilities to be leased to state agencies. The bonds are secured by the facilities, and repayment is made from lease income. The outstanding bonds payable at June 30, 2001, is reported in the General Long-Term Obligation Account Group, except for \$10.525 and \$1.275 million which are reported

in Alcoholic Beverage Control Fund, and Utah Correctional Industries Fund (Enterprise Funds) respectively, and \$1.085 million reported in the Fleet Operations Fund (Internal Service Fund).

The Utah State Building Ownership Authority has also issued refunding bonds. The 1998 C lease revenue bonds were used to refund portions of the 1994 A, 1995 A, and 1996 A lease revenue bonds. The bonds are secured by the facilities, and repayments are made from lease income.

The State has issued revolving loan recapitalization program bonds to provide capital for the State's revolving loan programs, and subsequently has refunded one of the bonds. The bonds are secured by and repayment is made from the collection of the revolving loan programs' notes receivables. Of the bonds payable outstanding at June 30, 2001, \$3.93 million are reported in the General Long-Term Obligation Account Group and \$4.745 million in the Water Resources Loan Fund (Internal Service Fund).

The colleges and universities issue bonds for various purposes, including student housing, special events centers, and student union centers. The bonds are secured by the related assets, student building fees, and other income of certain college activities. Outstanding bonds payable are reported in the College and University Funds.

Revenue Bonds Payable presented on the Combined Balance Sheet consist of the following:

Revenue Bonds Payable – Component Units (Expressed in Thousands)					
Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2001
Utah Housing Corporation Issues.....	1986–2001	2001–2042	3.0% to 10.75%	\$ 2,411,967	\$ 1,142,737
Colleges and Universities					
Revenue Bonds.....	1987–2000	2003–2029	2.5% to 8.49%	\$ 399,860	311,198
Total Revenue Bonds Outstanding ...					1,453,935
Utah Housing Corporation					
Deferred Interest Payable					362
Colleges and Universities					
Less Unamortized Discounts					(90)
Total Revenue Bonds Payable					<u>\$ 1,454,207</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Revenue Bonds Payable – Primary Government (Expressed in Thousands)

Bond Issue	Date Issued	Maturity Date	Interest Rate	Original Issue	Balance June 30, 2001
1988 and 1993 Board of Regents Student Loan Indentures	1988–2001	1998–2040	3.9% to 6.7% and variable	\$1,056,485	\$ 1,032,505
1992 A Revolving Loan Recapitalization Program	04/15/92	1993–2004	4.0% to 6.6%	\$ 5,065	1,620
1992 B Revolving Loan Recapitalization Program	06/01/92	1993–2004	3.4% to 6.3%	\$ 9,935	3,125
1992 A Utah State Building Ownership Authority Refunding	07/15/92	1993–2011	5.30% to 5.75%	\$ 26,200	18,335
1992 B Utah State Building Ownership Authority	07/15/92	1994–2011	4.0% to 6.0%	\$ 1,380	995
1993 A Utah State Building Ownership Authority	12/01/93	1995–2013	4.5% to 5.25%	\$ 6,230	4,550
1993 B Utah State Building Ownership Authority	12/01/93	1995–2014	4.5% to 5.25%	\$ 8,160	6,135
1994 A Utah State Building Ownership Authority	09/01/94	1995–2018	5.0% to 6.25%	\$ 30,915	7,030
1995 A Utah State Building Ownership Authority	07/01/95	1996–2018	5.0% to 5.75%	\$ 93,000	22,160
1995 Water Refunding	10/04/95	1996–2005	5.125%	\$ 8,430	3,930
1996 A Utah State Building Ownership Authority	07/01/96	1997–2019	5.5% to 6.0%	\$ 44,725	10,625
1996 B Utah State Building Ownership Authority	11/01/96	1999–2013	5.0% to 5.4%	\$ 16,875	14,395
1997 A Utah State Building Ownership Authority	12/01/97	1999–2018	4.6% to 5.125%	\$ 4,150	3,810
1998 A Utah State Building Ownership Authority	07/01/98	1999–2020	3.75% to 5.25%	\$ 25,710	21,200
1998 B Utah State Building Ownership Authority – Capital Appreciation	07/22/98	2005	4.65%	\$ 23,091	26,433
1998 C Utah State Building Ownership Authority	08/15/98	2000–2019	3.8% to 5.5%	\$ 105,100	105,010
1999 A Utah State Building Ownership Authority	08/01/99	2001–2021	5.25% to 5.50%	\$ 9,455	9,400
Total Revenue Bonds Outstanding					1,291,258
Student Loan Purchase Program Less Unamortized Discount					(11)
Total Revenue Bonds Payable					<u>\$ 1,291,247</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

**Revenue Bond Issues – Primary Government
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(Expressed in Thousands)**

Fiscal Year	Principal						
	Student Loan Programs	1992 A Revolving Loan Recap Program	1992 B Revolving Loan Recap Program	1992 A Utah State Building Ownership Authority	1992 B Utah State Building Ownership Authority	1993 A Utah State Building Ownership Authority	1993 B Utah State Building Ownership Authority
2002.....	7,540	505	980	1,240	65	285	345
2003.....	7,950	540	1,040	1,310	70	300	360
2004.....	8,900	575	1,105	1,380	75	315	380
2005.....	12,490	—	—	1,460	80	330	395
2006.....	27,300	—	—	1,545	85	345	415
2007–2011.....	108,825	—	—	9,215	500	2,010	2,435
2012–2016.....	44,345	—	—	2,185	120	965	1,805
2017–2021.....	3,600	—	—	—	—	—	—
2022–2026.....	135,000	—	—	—	—	—	—
2027–2031.....	80,000	—	—	—	—	—	—
2032–2036.....	384,555	—	—	—	—	—	—
2037–2041.....	212,000	—	—	—	—	—	—
Total.....	\$1,032,505	\$ 1,620	\$ 3,125	\$ 18,335	\$ 995	\$ 4,550	\$ 6,135

Continues Below

Fiscal Year	Principal						
	1994 A Utah State Building Ownership Authority	1995 A Utah State Building Ownership Authority	1995 Water Refunding	1996 A Utah State Building Ownership Authority	1996 B Utah State Building Ownership Authority	1997 A Utah State Building Ownership Authority	1998 A Utah State Building Ownership Authority
2002.....	1,620	3,275	910	1,540	900	145	2,265
2003.....	1,710	3,450	955	1,630	945	155	2,370
2004.....	1,805	3,575	1,005	1,720	995	160	2,485
2005.....	1,895	3,760	1,060	1,820	1,040	170	2,615
2006.....	—	3,945	—	1,905	1,095	180	705
2007–2011.....	—	4,155	—	2,010	6,370	1,035	4,040
2012–2016.....	—	—	—	—	3,050	1,330	5,115
2017–2021.....	—	—	—	—	—	635	1,605
2022–2026.....	—	—	—	—	—	—	—
2027–2031.....	—	—	—	—	—	—	—
2032–2036.....	—	—	—	—	—	—	—
2037–2041.....	—	—	—	—	—	—	—
Total.....	\$ 7,030	\$ 22,160	\$ 3,930	\$ 10,625	\$ 14,395	\$ 3,810	\$ 21,200

Continues Below

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Revenue Bond Issues – Primary Government (continued)
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(Expressed in Thousands)

Fiscal Year	Principal			Total Principal Required	Total Interest	Total Amount Required
	1998 B Utah State Building Ownership Authority	1998 C Utah State Building Ownership Authority	1999 A Utah State Building Ownership Authority			
2002	—	50	265	21,930	60,770	82,700
2003	—	50	300	23,135	59,578	82,713
2004	—	50	310	24,835	58,283	83,118
2005	26,433	55	330	53,933	62,052	115,985
2006	—	1,120	345	38,985	55,452	94,437
2007–2011	—	34,655	2,025	177,275	244,324	421,599
2012–2016	—	47,985	2,620	109,520	212,407	321,927
2017–2021	—	21,045	3,205	30,090	190,224	220,314
2022–2026	—	—	—	135,000	181,306	316,306
2027–2031	—	—	—	80,000	146,435	226,435
2032–2036	—	—	—	384,555	96,760	481,315
2037–2041	—	—	—	212,000	39,047	251,047
Total	<u>\$ 26,433</u>	<u>\$ 105,010</u>	<u>\$ 9,400</u>	<u>\$ 1,291,258</u>	<u>\$ 1,406,638</u>	<u>\$ 2,697,896</u>

Revenue Bond Issues – Component Units
Debt Service Requirements to Maturity
For Fiscal Years Ended June 30
(Expressed in Thousands)

Fiscal Year	Principal		Total Principal Required	Interest Required	Total Amount Required
	Utah Housing Corporation	Colleges and Universities			
2002	96,148	11,150	107,298	77,183	184,481
2003	21,618	13,168	34,786	76,613	111,399
2004	24,948	14,288	39,236	74,610	113,846
2005	26,409	15,347	41,756	72,404	114,160
2006	28,474	16,353	44,827	70,023	114,850
2007–2011	159,068	87,736	246,804	310,597	557,401
2012–2016	160,462	62,490	222,952	243,156	466,108
2017–2021	188,731	34,847	223,578	179,162	402,740
2022–2026	234,240	32,278	266,518	108,112	374,630
2027–2031	175,589	23,541	199,130	36,002	235,132
2032–2036	24,435	—	24,435	2,972	27,407
2037–2041	2,500	—	2,500	284	2,784
2042–2046	115	—	115	3	118
Total	<u>\$ 1,142,737</u>	<u>\$ 311,198</u>	<u>\$ 1,453,935</u>	<u>\$ 1,251,121</u>	<u>\$ 2,705,056</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Changes in Revenue Bonds Outstanding (Expressed in Thousands)

Primary Government					
	Proprietary Funds	General Long-Term Obligation	Total Primary Government	Component Units	Total Revenue Bonds Outstanding
Balance at July 1, 2000.....	\$ 888,550	\$ 251,570	\$ 1,140,120	\$ 1,412,042	\$ 2,552,162
New Bonds Issued:					
Student Loan Programs.....	258,500	—	258,500	—	258,500
Utah Housing Corporation.....	—	—	—	200,123	200,123
Colleges and Universities	—	—	—	17,457	17,457
Accretion	—	1,187	1,187	—	1,187
Bonds Retired	(96,915)	(11,634)	(108,549)	(175,687)	(284,236)
Balance at June 30, 2001	<u>\$ 1,050,135</u>	<u>\$ 241,123</u>	<u>\$ 1,291,258</u>	<u>\$ 1,453,935</u>	<u>\$ 2,745,193</u>

C. Conduit Debt Obligations

In 1985, the State Board of Regents authorized the University of Utah to issue Variable Rate Demand Industrial Development Bonds for the University Park Hotel, a limited partnership separate from the University. The bonds are payable solely from revenues of the University Park Hotel. The bonds do not constitute a debt or pledge of the faith and credit of the University of Utah or the State and, accordingly, have not been reported in the accompanying financial statements. At June 30, 2001, \$7.905 million of Variable Rate Demand Industrial Development Bonds are outstanding.

D. Demand Bonds

The \$358 million Series 1999 A, B, C, & D adjustable rate bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest, on seven days notice and delivery to the State's remarketing agent. Conversely, the State has the ability to convert any or all of the Series 1999 A, B, C, & D general obligation bonds into fixed rate debt, upon not fewer than 15 days notice to bondholders. The remarketing agent is paid a fee equal to .07 percent per annum of the weighted average principal amount of each series of bonds outstanding on a quarterly basis.

In the event the bonds cannot be remarketed, the State has a separate standby bond purchase agreement for each bond series with Toronto-Dominion Bank acting through its Houston Agency. The agreement provides an amount sufficient to pay the purchase price of each of the respective series of bonds equal to the principal and up to 39 days accrued interest at a maximum rate of ten percent per annum. The Standby Agreement also contains a take out provision for bonds that are held by the bank upon expiration of the credit agreement that will allow the State to convert the bonds to a two year installment loan with interest payable monthly and principal

due at the end of the term. If the installment provision were in place, the interest rate would be ten percent and cost the State \$35.8 million per year in interest expense, assuming all of the bonds were not remarketed. The Standby Agreement is valid through September 13, 2002.

In consideration for the Liquidity Facility, the State is charged six basis points of the principal outstanding, less any advances outstanding on a quarterly basis. The interest rate for Liquidity Advances is the Federal Funds rate plus one-half percent for the first 30 days. For advances outstanding longer than 30 days or outstanding under the installment provision, the rate charged is the greater of the Federal Funds or prime rate plus a margin dependent upon the amount of time the advance is outstanding, not to exceed ten percent per annum. As of June 30, 2001, the State had not drawn any funds under the Standby Bond Purchase Agreement.

The Student Loan Purchase Program had \$240.555 million of demand bonds outstanding at June 30, 2001, subject to purchase on the demand of the holder at a price equal to principal plus accrued interest, on seven days notice and delivery to the Board's remarketing agent.

In the event bonds cannot be remarketed, the Board has standby bond purchase agreements and a letter of credit agreement sufficient to pay the purchase price of bonds delivered to it. The Board pays quarterly fees to maintain the standby bond purchase agreements and letter of credit on the demand bonds.

An unused irrevocable direct-pay letter of credit expiring November 15, 2004, in the amount of \$37.462 million supports the Series 1993 A bonds of \$35 million. The standby bond purchase agreements include the amount of \$110.677 million expiring November 15, 2005, to support Series 1988 C and 1995 L bonds of \$104.5 million, and the amount of \$108.42 million expiring May 16, 2005, to

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

support the Series 1996 Q and 1997 R bonds of \$101.055 million. As of June 30, 2001, the Board had not drawn any funds under the standby bond purchase agreements or the letter of credit.

The University of Utah (Component Unit) Series 1997 A bonds in the amount of \$21.59 million currently bear interest at a weekly rate in accordance with bond provisions. When a weekly rate is in effect, the Series 1997 A bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest on seven days notice and delivery to the University's tender agent.

In the event the bonds cannot be remarketed, the tender agent is required to draw on an irrevocable letter of credit to pay the purchase price plus accrued interest on the bonds delivered to it. The letter of credit with the Bank of Nova Scotia is valid through June 30, 2002. As of June 30, 2001, the University had not drawn any funds under the letter of credit.

E. Capital Appreciation Bonds

On August 15, 1998, the Utah State Building Ownership Authority issued \$23.091 million of 1998 Series B Capital Appreciation lease revenue bonds. The interest on the bonds is accreted and added to the bonds payable in the General Long-Term Obligation Account Group. The accretion for the year ended June 30, 2001, was \$1.187 million, and at June 30, 2001, bonds payable amounted to \$26.433 million. The interest on the bond is not paid until the bonds mature at which time the expenditure will be recorded.

F. Defeased Bonds and Bond Refunding

On August 29, 2000, the Student Loan Purchase Program issued \$44 million 2000 Series S and \$49.5 million Series T student loan variable rate revenue bonds at par to refund its outstanding 1988 Series A bonds maturing November 1, 2000; 1988 Series B bonds maturing November 1, 2000; 1990 Series E bonds maturing November 1, 2000, November 1, 2004, and November 1, 2008; and 1991 Series F bonds maturing November 1, 2001, November 1, 2002, November 1, 2003, November 1, 2005, and November 1, 2008, all of which were paid or redeemed on November 1, 2000. The refunded bonds carried interest rates ranging from 7 percent to 7.6 percent and other variable rates. The 1988 Series A bonds, 1988 Series B bonds, and the 1990 Series E bond maturing on November 1, 2000 were paid at par, while the 1990 Series E bonds maturing on November 1, 2004, and November 1, 2008, were paid at par plus a premium totaling \$175 thousand, and the 1991 Series F bonds maturing November 1, 2001, November 1, 2002, November 1, 2003, November 1, 2005, and November 1, 2008, were paid at par plus a premium totaling \$662 thousand. Because the variable rate refunding issue has no stated minimum or maximum interest rates, no attempt has been made to disclose the cash flow differences, or economic gain or loss. Due to the risk that the variable interest rates

may rise, there is no guarantee that the Student Loan Purchase program will achieve an economic gain on this transaction. The Student Loan Purchase Program did not have any defeased bonds outstanding prior to the current year refunding.

On July 13, 2000, the University of Utah (Component Unit) issued \$17.585 million Research Facilities Revenue Bonds, Series 2000 A with interest rates from 5 to 5.75 percent. Proceeds from these bonds were used to refund \$10 million Research Facilities Revenue Bonds, Series 1999 with an interest rate of 5.38 percent, fund \$7 million for construction costs, and pay for various issuance costs and interest. Results of this refunding extended the debt service period from November 1, 2004, to April 1, 2020. The economic gain or loss on the refunding was immaterial.

In prior years, the State defeased certain revenue bonds by placing the proceeds of new bonds and other moneys available for debt service in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the General Long-Term Obligation Account Group. At June 30, 2001, \$105.615 million revenue bonds outstanding are considered defeased.

In prior years, colleges and universities (Component Units) defeased certain revenue bonds by placing the proceeds of new bonds and various bond reserves in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the colleges and universities balance sheet. At June 30, 2001, \$43.14 million of college and university bonds outstanding are considered defeased.

In prior years, Utah Housing Corporation (Component Unit) defeased certain revenue bonds by placing a portion of the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in Utah Housing Corporation's balance sheet. At June 30, 2001, \$6.25 million of bonds outstanding are considered defeased.

G. Notes Payable

The notes payable balance of \$28.96 million is comprised of \$1.741 million in notes issued by Technology Finance Corporation (Component Units – Proprietary Fund), \$319 thousand in notes issued by the Heber Valley Historic Railroad Authority (Component Units – Proprietary Fund), and \$26.9 million in notes issued by the College and University Funds (Component Units) for the purchase of buildings and equipment. The notes bear various interest rates and will be repaid over the next 30 years. They are secured by the related assets.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Notes Payable Debt Service Requirements to Maturity
Component Units
For Fiscal Years Ending June 30
(Expressed in Thousands)

Fiscal Year	Principal		Total Principal Required	Interest Required	Total Amount Required
	Colleges and Universities	Proprietary Funds			
2002.....	\$ 2,090	\$ 185	\$ 2,275	\$ 1,732	\$ 4,007
2003.....	1,943	88	2,031	1,615	3,646
2004.....	1,273	89	1,362	1,537	2,899
2005.....	1,091	92	1,183	1,462	2,645
2006.....	1,103	95	1,198	1,397	2,595
2007–2011.....	6,107	450	6,557	5,830	12,387
2012–2016.....	5,559	366	5,925	3,793	9,718
2017–2021.....	6,453	384	6,837	1,506	8,343
2022–2026.....	1,146	311	1,457	140	1,597
2027–2031.....	135	—	135	9	144
Total.....	<u>\$ 26,900</u>	<u>\$ 2,060</u>	<u>\$ 28,960</u>	<u>\$ 19,021</u>	<u>\$ 47,981</u>

Changes in Notes Payable
Component Units
(Expressed in Thousands)

	Colleges and Universities	Proprietary Funds
Balance at July 1, 2000	\$ 33,957	\$ 2,489
Additions.....	13,089	—
Deletions	(20,146)	(429)
Balance at June 30, 2001.....	<u>\$ 26,900</u>	<u>\$ 2,060</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

H. Contracts Payable

Contracts Payable in the General Long-Term Obligation Account Group are for capital leases. Lease obligations are detailed in Note 7. Component Unit Contracts Payable include \$2.674 million in life annuity contracts.

I. Leave/Postemployment Benefits Obligations

Changes in Leave/Postemployment Benefits Obligations (Expressed in Thousands)

	General Fund	Special Revenue Funds		Pension Trust Funds State Retirement Systems	General Long-Term Obligation Account Group	Total
		Uniform School	Transportation			
Balance at July 1, 2000	\$ 190,318	\$ 19,288	\$ 38,543	\$ 1,659	\$ 31,144	\$ 280,952
Increase (Decrease) in						
Accrued Leave Benefits	5,619	192	661	(105)	—	6,367
Increase in						
Postemployment Benefits.....	3,778	1,490	379	—	10,090	15,737
Balance at June 30, 2001	<u>\$ 199,715</u>	<u>\$ 20,970</u>	<u>\$ 39,583</u>	<u>\$ 1,554</u>	<u>\$ 41,234</u>	<u>\$ 303,056</u>

The changes in the leave/postemployment benefits obligations for College and University Funds (Component Unit) are as follows: beginning balance at July 1, 2000, of \$50.623 million, increases of \$3.185 million in accrued leave benefits and \$995 thousand in postemployment benefits, and ending balance at June 30, 2001, of \$54.803 million.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 9. FUND BALANCES — RESERVED AND DESIGNATED

The State's reserved fund balances represent: 1) those portions of fund balance that are not available for appropriation or expenditure, which include loans receivable; or 2) fund balances that are legally segregated for a specific future use, which include reserves for encumbrances in the Capital Projects Fund, limited encumbrances in the General and Special Revenue Funds as explained in Note 1, continuing appropriation or nonlapsing funds, assets legally restricted for other purposes, and assets restricted by bond agreements. A summary of the nature and purpose of these reserves by fund type at June 30, 2001, follows (expressed in thousands):

A. General Fund — Reserved

Nonlapsing Appropriations for:

Natural Resources – Parks and Recreation	\$ 14,524
Governor's Office	9,762
Business, Labor, and Agriculture	8,583
Department of Health	8,199
Tax Commission	7,239
Community and Economic Development	6,421
Public Safety	5,240
Natural Resources – Wildlife	4,705
Natural Resources – Except Parks and Wildlife ..	4,113
Human Services	3,812
Legislature	3,254
Administrative Services	3,247
Department of Corrections	2,311
Environmental Quality	1,822
Judicial Council	1,688
Miscellaneous Other	2,606
Total Nonlapsing	<u>87,526</u>

Restricted by Law for:

Water Pollution Loans	187,626
Safe Drinking Water Loans	56,493
Housing Development Loans	46,210
Advances to Internal Service Funds	24,322
Industrial Assistance	18,195
Tobacco Settlement Funds	13,609
Wildlife Resources	10,355
Oil Overcharge Funds	9,882
Workforce Services Special Administration	8,308
Tax Commission – Administration	7,957
Natural Resources – Except Wildlife	5,774
Medicaid Restricted	5,770
Public Safety	5,169
Human Services	4,930
State Judicial Council	3,027
Environmental Quality	2,255
Nursing Facilities	1,555

Miscellaneous Other	9,999
Total Restricted	<u>421,436</u>
Total General Fund Reserved	<u>\$ 508,962</u>

General Fund — Unreserved/Designated

Budgetary Reserve Account (Rainy Day Reserve Account)	\$ 120,330
Designated for Fiscal Year 2002 Appropriations	<u>67,161</u>
Total General Fund Designated	<u>\$ 187,491</u>

B. Special Revenue Funds — Reserved

Uniform School Fund Nonlapsing Appropriations for:

Minimum School Program	\$ 19,556
State Office of Education	6,005
Deaf and Blind School	1,435
Miscellaneous Programs	<u>827</u>
Total Nonlapsing	<u>27,823</u>

Uniform School Fund Restricted by Law for:

School Building Loans Programs	10,328
Applied Technology Centers	4,059
School Land Interest	4,006
Miscellaneous Programs	<u>607</u>
Total Restricted	<u>19,000</u>

Total Uniform School Fund Reserved

\$ 46,823

Transportation Fund Nonlapsing Appropriations for:

Sidewalk Construction	\$ 1,490
Miscellaneous Programs	<u>1,218</u>
Total Nonlapsing	<u>2,708</u>

Transportation Fund Restricted by Law for:

Corridor Preservation	15,696
Aeronautical Programs	6,105
Uninsured Motorist	2,408
Miscellaneous Programs	<u>3,521</u>
Total Restricted	<u>27,730</u>

Total Transportation Fund Reserved

\$ 30,438

Centennial Highway Fund:

Restricted by Law for Construction	<u>\$ 63,933</u>
--	------------------

Total Special Revenue Funds Reserved

\$ 141,194

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Special Revenue Funds — Unreserved/Designated

Uniform School Fund Net Accrued Taxes	\$ 138,368
Uniform School Fund Designated	
for Fiscal Year 2002 Appropriations	32,730
Transportation Fund Net Accrued Taxes.....	8,443
Sports Authority Fund Designated	
for Fiscal Year 2002 Appropriations	949
Total Special Revenue Funds Designated	<u>\$ 180,490</u>

C. Capital Projects Fund

Of the \$109.425 million reserved fund balance, \$107.181 million is for outstanding encumbrances on various capital projects, \$2.12 million is for lease revenue bond restrictions on proceeds that are currently not committed under contract, and \$124 thousand is reserved by statute for planning of construction projects.

D. Debt Service Fund

The \$5.081 million reserved fund balance for the Debt Service Fund represents reserve funds and pledged funds required by bond agreements.

E. Trust and Agency Funds

The \$18.906 billion reserved for the Trust and Agency Funds represents:

Pension Benefits:	
Employee Deferred Compensation.....	\$ 1,276,732
Reserved for Employees' Pension Benefits	13,306,520
Total Pension Benefits.....	<u>14,583,252</u>
Investment Trust:	
Fund Balance Reserved for External	
Investment Pool Participants.....	3,037,354
Fund Balance Reserved for Investment Fund	
Participants – Undistributed Reserves and	
Unrealized Gains/Losses	10,984
Total Investment Trust.....	<u>3,048,338</u>
Nonexpendable Trust:	
Trust Lands.....	<u>372,224</u>
Expendable Trust:	
Unemployment Compensation Benefits	599,964
Deferred Compensation 457 Plan	215,605
Utah Navajo Trust	15,525
Restricted Various	70,746
Total Expendable Trust	<u>901,840</u>
Total Trust and Agency Funds Reserved.....	<u>\$18,905,654</u>

F. Internal Service Funds

The \$182.288 million in retained earnings includes \$47.228 million of claims contingency reserves for the Employees Group Insurance Fund and \$1.791 million of bond reserves for the Water Resources Loan Fund.

G. Enterprise Funds

Reserved Retained Earnings:	
Student Assistance Programs for	
Financing and Bond Agreements	\$ 106,823
State Trust Lands Administration	
for Noxious Weeds.....	37
Total Enterprise Funds Reserved	<u>106,860</u>
Unreserved Retained Earnings:	
Student Assistance Programs	71,232
Utah Correctional Industries	17
State Trust Lands Administration	2,662
Agriculture Loan Fund.....	11,263
Utah Dairy Commission.....	934
Clean Fuels Vehicle Loan Fund	873
Petroleum Storage Tank Loan Fund.....	716
Revitalization Programs.....	6,120
Critical Land Conservation Fund.....	1,427
Total Enterprise Funds Unreserved.....	<u>95,244</u>
Total Enterprise Funds Retained Earnings.....	<u>\$ 202,104</u>

H. Component Units — Proprietary Type Funds

Reserved Retained Earnings:	
Utah Housing Corporation	
for Bond Agreements.....	\$ 132,873
Technology Finance Corporation – Federal.....	6,761
Total Reserved	<u>139,634</u>
Unreserved Retained Earnings:	
Utah Housing Corporation	41,074
Technology Finance Corporation.....	3,831
Comprehensive Health Insurance	11,275
Heber Valley Historic Railroad Authority.....	1,582
Utah Science Center Authority	42
Utah State Fair Corporation.....	1,483
Total Unreserved.....	<u>59,287</u>
Total Component Units Proprietary	
Type Funds Retained Earnings	<u>\$ 198,921</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

I. Component Units — Colleges and Universities

Reserved for:

University of Utah	\$ 535,540
Utah State University	151,433
Weber State University	55,760
Southern Utah University	16,891
Salt Lake Community College	18,228
Utah Valley State College	28,754
Dixie State College of Utah	26,011
College of Eastern Utah	15,279
Snow College	19,548

Total Reserved \$ 867,444

Unreserved Designated for:

University of Utah	\$ 221,999
Utah State University	40,896
Weber State University	6,284
Southern Utah University	8,166
Salt Lake Community College	28,697
Utah Valley State College	2,774
Dixie State College of Utah	3,040
Snow College	2,375

Total Unreserved Designated \$ 314,231

Unreserved Undesignated for:

Weber State University	\$ 14,712
Salt Lake Community College	7,396
Utah Valley State College	13,951
Dixie State College of Utah	2,604
College of Eastern Utah	(1,928)
Snow College	2,545

Total Unreserved Undesignated \$ 39,280

NOTE 10. DEFICIT FUND BALANCES/RETAINED EARNINGS

Funds reporting a deficit fund balance or retained earnings position at June 30, 2001, are (expressed in thousands):

Internal Service Funds:

General Services	\$ 512
Natural Resources	\$ 2,676

The Internal Service Funds plan to increase their rates to cover these deficits.

Expendable Trust Funds:

Employers' Reinsurance Trust	\$ 289,869
Petroleum Underground Storage Tank	\$ 59,008

The deficit in the Employers' Reinsurance Fund represents the unfunded portion of the actuarial estimate of claims incurred. The Employers' Reinsurance Fund claims are funded from taxes on workers' compensation insurance. The Legislature has set tax rates and modified benefits to keep current revenues at a level sufficient to cover current cash disbursements. State law limits the State's liability to the cash or assets in the Employers' Reinsurance Fund only. State law also limits the Fund's liability to claims resulting from industrial accidents or occupational diseases occurring on or before June 30, 1994. For claims resulting from accidents or diseases on or after July 1, 1994, the employer or its insurance carrier is liable for resulting liabilities.

The Petroleum Underground Storage Tank Fund (Expendable Trust Fund which is part of the Restricted Trust Fund) covers the clean-up of leaks from state approved underground petroleum storage tanks. The assets in the fund are more than adequate to pay current claims. Unfunded future claims will be funded by future revenues

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 11. CHANGES IN CONTRIBUTED CAPITAL ACCOUNTS

For the Fiscal Year Ended June 30, 2001
(Expressed in Thousands)

	Beginning Balance July 1, 2000	Additions Contributed Capital Transfers In	Deletions Contributed Capital Transfers Out	Ending Balance June 30, 2001
Enterprise Funds:				
Alcoholic Beverage Control	\$ 14,211	\$ 961	\$ 1,533	\$ 13,639
Utah Correctional Industries	3,103	—	—	3,103
State Trust Lands Administration	5,429	—	24	5,405
Agriculture Loan Fund	20,037	—	—	20,037
Clean Fuels Vehicle Loan Fund	1,650	—	—	1,650
Petroleum Storage Tank Loan Fund	5,000	—	—	5,000
Revitalization Programs	400	—	—	400
Critical Land Conservation Fund	180	—	—	180
Total Enterprise Funds	<u>\$ 50,010</u>	<u>\$ 961</u>	<u>\$ 1,557</u>	<u>\$ 49,414</u>
Internal Service Funds:				
Water Resources Loan Fund	\$ 166,326	\$ 1,653	\$ —	\$ 167,979
Information Technology	8,263	—	—	8,263
Community Impact Loan Fund	118,091	17,354	—	135,445
Transportation Infrastructure Loan Fund	168	—	—	168
General Services	2,730	—	—	2,730
Fleet Operations	22,983	4,467	—	27,450
Human Services	99	—	—	99
Office of Education	143	—	—	143
Natural Resources	2,919	—	—	2,919
Risk Management	766	—	—	766
Property Management	172	—	—	172
Total Internal Service Funds	<u>\$ 322,660</u>	<u>\$ 23,474</u>	<u>\$ 0</u>	<u>\$ 346,134</u>
Component Units – Proprietary Type Funds:				
Technology Finance Corporation	\$ 3,192	\$ —	\$ —	\$ 3,192
Utah State Fair Corporation	756	—	—	756
Total Component Units – Proprietary Type Funds	<u>\$ 3,948</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,948</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 12. OPERATING AND RESIDUAL EQUITY TRANSFERS

Operating transfers among funds occur when one fund collects revenue and transfers the assets to another fund for expenditure. The transfers occur only after being legally authorized by the Legislature through statute or an *Appropriation Act*. For the fiscal year ended June 30, 2001, the operating transfers by fund are as follows:

Operating Transfers (Expressed in Thousands)							
	Special Revenue Funds						
	General Fund	Uniform School Fund	Transportation Fund	Centennial Highway Fund	State Capitol Fund	Rural Development Fund	Tobacco Endowment Fund
Transfers Out:							
General Fund	\$ —	\$ 1,863	\$ 23,551	\$ 136,975	\$ 2,257	\$ 140	\$ 13,788
Special Revenue Funds:							
Uniform School Fund	195,809	—	—	—	—	—	—
Transportation Fund	27,890	—	—	74,110	—	—	—
Sports Authority Fund	3,923	—	—	—	—	—	—
Consumer Education Fund	5	—	—	—	—	—	—
Centennial Highway Fund	—	—	3,549	—	—	—	—
Capital Projects Fund	251	—	—	—	—	—	—
Enterprise Funds	30,588	—	—	—	—	—	—
Internal Service Funds	6,491	—	—	—	—	—	—
Expendable Trust Funds	3,836	9,617	—	—	—	—	—
Total Transfers In	\$ 268,793	\$ 11,480	\$ 27,100	\$ 211,085	\$ 2,257	\$ 140	\$ 13,788

Continues Below

	Capital Projects Fund	Debt Service Fund	Enterprise Funds	Internal Service Funds	Expendable Trust Funds	Nonexpendable Trust Fund	Total Transfers Out
Transfers Out:							
General Fund	\$ 50,779	\$ 74,242	\$ 2,750	\$ 926	\$ 5,450	\$ 16	\$ 312,737
Special Revenue Funds:							
Uniform School Fund	94,377	20,153	—	—	—	—	310,339
Transportation Fund	835	—	—	—	—	—	102,835
Sports Authority Fund	—	—	—	—	—	—	3,923
Consumer Education Fund	—	—	—	—	—	—	5
Centennial Highway Fund	—	44,183	—	—	—	—	47,732
Capital Projects Fund	—	2,982	—	50	—	—	3,283
Enterprise Funds	—	—	—	—	250	—	30,838
Internal Service Funds	—	—	—	—	—	—	6,491
Expendable Trust Funds	—	—	—	—	—	—	13,453
Total Transfers In	\$ 145,991	\$ 141,560	\$ 2,750	\$ 976	\$ 5,700	\$ 16	\$ 831,636

In addition, the General Fund transferred \$3.725 million to the component units' Proprietary Funds and \$533.554 million to Colleges and Universities. The component units' Proprietary Funds transferred \$526 thousand to the General Fund.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Residual equity transfers occur when nonroutine transfers are made from one fund to another. These transfers are usually made to provide for working capital. For the fiscal year ended June 30, 2001, the residual equity transfers by fund are as follows:

Residual Equity Transfers (Expressed in Thousands)

	General Fund	Enterprise Funds	Internal Service Funds	Total Transfers
Transfers Out:				
General Fund.....	\$ —	\$ 961	\$ 23,450	\$ 24,411
Enterprise Funds	1,533	—	24	1,557
Total Transfers In	\$ 1,533	\$ 961	\$ 23,474	\$ 25,968

NOTE 13. SEGMENT INFORMATION FOR ENTERPRISE FUNDS AND COMPONENT UNITS

A. The State of Utah has ten enterprise funds, six proprietary type component units, and college and university component units which are described below.

Enterprise Funds:

- Alcoholic Beverage Control — The Alcoholic Beverage Control Commission administers the *Alcoholic Beverage Control Act* with financing from operations which include the sale of liquor products.
- Student Assistance Programs — This is made up of two separate student assistance programs administered by the Utah State Board of Regents – Utah Higher Education Assistance Authority. The two programs are the Student Loan Guarantee Program, which guarantees repayment of eligible student loans, and the Student Loan Purchase Program, which makes loans to and purchases loans of eligible students. The programs are funded from bond proceeds, loan fees, interest, and federal allowances.
- Utah Correctional Industries — Correctional Industries provides employment for prisoners at the Utah State Prison. It is funded by charges for services and the sale of goods produced.

- State Trust Lands Administration — The Administration manages the assets of the State School and Institutional Trust Lands, Nonexpendable Trust Fund.
- Agriculture Loan Fund — The Fund issues farm loans for soil and water conservation projects and for the rehabilitation of rural areas within the State.
- Utah Dairy Commission — The Dairy Commission promotes dairy products through advertising, research, and nutritional education. It is funded by collections from milk producers.
- Clean Fuels Vehicle Loan Fund — The Fund provides loans to government and private fleets for the conversion of their vehicles to clean fuel.
- Petroleum Storage Tank Loan Fund — The Fund provides loans to private businesses to repair, replace, upgrade, or close petroleum storage tanks to prevent leakage.
- Revitalization Programs — This is made up of two Revitalization Programs: the Uintah Basin Revitalization Fund and the San Juan Navajo Revitalization Fund. The Fund makes grants and loans to county agencies, the Ute Indian Tribe, and the Navajo Nation to benefit the citizens of the Uintah Basin and San Juan County for the social and economic impacts of mineral resource development. Funding is from appropriations, oil and gas severance taxes, and interest earnings.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

- Critical Land Conservation Fund — The LeRay McAllister Critical Land Conservation Fund issues loans and grants to assist local entities in their effort to preserve open land in the State.

Proprietary Type Component Units:

- Utah Housing Corporation — The Corporation issues bonds to provide capital for housing for low and moderate income families. Operations are financed from bond proceeds and from mortgage and investment interest and fees.
- Utah Technology Finance Corporation — The Corporation is a corporate body created to encourage and assist small and emerging businesses involved in innovation and high technology in the State. The Corporation is operated from grants, earnings, and state appropriations.
- Comprehensive Health Insurance Pool — The Pool provides access to health insurance coverage for residents of the State who are considered uninsurable.
- Heber Valley Historic Railroad Authority — The Authority operates and maintains a scenic and historic railway in Wasatch County.

- Utah Science Center Authority — The Authority provides a means to foster the development of science, arts, tourism, and cultural and educational facilities within the State.
- Utah State Fair Corporation — The nonprofit Corporation operates the State Fair Park and conducts the Utah State Fair and other various expositions and entertainment events.

Colleges and Universities Component Units:

- College and University Funds account for the operations of institutions of higher education.
- B. Various bond resolutions place restrictions on the use of certain assets. As of June 30, 2001, restrictions have been placed on \$52.182 million of Utah Housing Corporation assets and \$1,157.755 million of Student Loan Purchase Program assets.
- C. Segment information for the fiscal year ended June 30, 2001, is as follows:

(Table presented on next page)

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Enterprise Funds Segment Information (Expressed in Thousands)

	Alcoholic Beverage Control	Student Assistance Programs	Utah Correctional Industries	State Trust Lands Administration	Agriculture Loan Fund	Utah Dairy Commission
Operating Revenue.....	\$ 123,784	\$ 104,463	\$ 12,733	\$ 7,716	\$ 1,207	\$ 2,358
Operating Expenses:						
Depreciation.....	1,516	70	77	186	3	11
Other	91,427	90,719	13,152	5,336	240	2,262
Operating Income (Loss).....	30,841	13,674	(496)	2,194	964	85
Operating Transfers In (Out)	(30,253)	(250)	—	—	(235)	—
Tax Revenues	—	—	—	—	500	—
Non-Operating Income (Loss)	(588)	2,513	(13)	118	—	6
Net Income (Loss).....	<u>\$ 0</u>	<u>\$ 15,937</u>	<u>\$ (509)</u>	<u>\$ 2,312</u>	<u>\$ 1,229</u>	<u>\$ 91</u>
Current Assets	\$ 16,671	\$ 440,639	\$ 3,177	\$ 8,822	\$ 9,765	\$ 653
Current Liabilities	16,505	21,805	1,174	7,157	33	145
Net Working Capital	<u>\$ 166</u>	<u>\$ 418,834</u>	<u>\$ 2,003</u>	<u>\$ 1,665</u>	<u>\$ 9,732</u>	<u>\$ 508</u>
Total Assets	\$ 40,323	\$ 1,275,693	\$ 5,529	\$ 15,261	\$ 31,333	\$ 1,079
Total Liabilities	26,684	1,097,638	2,409	7,157	33	145
Fund Equity.....	<u>\$ 13,639</u>	<u>\$ 178,055</u>	<u>\$ 3,120</u>	<u>\$ 8,104</u>	<u>\$ 31,300</u>	<u>\$ 934</u>
Long-Term Liabilities	<u>\$ 10,179</u>	<u>\$ 1,075,833</u>	<u>\$ 1,235</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Current Capital Contributions In...	<u>\$ 961</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Current Capital Contributions Out ..	<u>\$ (1,533)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (24)</u>	<u>\$ —</u>	<u>\$ —</u>
Fixed Assets – July 1, 2000.....	\$ 30,752	\$ 1,301	\$ 4,226	\$ 5,732	\$ 20	\$ 216
Additions.....	486	37	536	1,729	—	17
Deletions	(95)	(120)	(305)	(335)	—	—
Fixed Assets – June 30, 2001	<u>\$ 31,143</u>	<u>\$ 1,218</u>	<u>\$ 4,457</u>	<u>\$ 7,126</u>	<u>\$ 20</u>	<u>\$ 233</u>

Clean Fuels Vehicle Loan Fund	Petroleum Storage Tank Loan Fund	Revitalization Programs	Critical Land Conservation Fund	Total
\$ 139	\$ 287	\$ 181	\$ —	\$ 252,868
—	—	—	—	1,863
147	—	408	3,941	207,632
(8)	287	(227)	(3,941)	43,373
—	(100)	—	2,750	(28,088)
—	—	3,330	—	3,830
—	—	—	260	2,296
<u>\$ (8)</u>	<u>\$ 187</u>	<u>\$ 3,103</u>	<u>\$ (931)</u>	<u>\$ 21,411</u>
\$ 2,540	\$ 4,740	\$ 6,558	\$ 1,611	\$ 495,176
146	—	38	4	47,007
<u>\$ 2,394</u>	<u>\$ 4,740</u>	<u>\$ 6,520</u>	<u>\$ 1,607</u>	<u>\$ 448,169</u>
\$ 2,669	\$ 5,716	\$ 6,558	\$ 1,611	\$ 1,385,772
146	—	38	4	1,134,254
<u>\$ 2,523</u>	<u>\$ 5,716</u>	<u>\$ 6,520</u>	<u>\$ 1,607</u>	<u>\$ 251,518</u>
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,087,247</u>
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 961</u>
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,557)</u>
\$ —	\$ —	\$ —	\$ —	\$ 42,247
—	—	—	—	2,805
—	—	—	—	(855)
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 44,197</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Component Units – Proprietary Type Funds Segment Information (Expressed in Thousands)

	Utah Housing Corporation	Technology Finance Corporation	Comprehensive Health Insurance	Heber Valley Historic Railroad Authority	Utah Science Center Authority	Utah State Fair Corporation	Total
Operating Revenue	\$ 87,891	\$ 1,340	\$ 6,715	\$ 971	\$ 25	\$ 3,706	\$ 100,648
Operating Expenses:							
Depreciation.....	240	56	—	75	9	71	451
Other.....	73,774	1,283	9,473	1,172	24	4,158	89,884
Operating Income (Loss)	13,877	1	(2,758)	(276)	(8)	(523)	10,313
Operating Transfers from Primary Government..	—	—	3,135	—	—	590	3,725
Operating Transfers to Primary Government..	—	(526)	(1,000)	—	—	—	(1,526)
Federal Grants	—	11	—	—	—	—	11
Other Non-Operating Income (Loss)	—	307	1,087	762	1	120	2,277
Net Income (Loss)	<u>\$ 13,877</u>	<u>\$ (207)</u>	<u>\$ 464</u>	<u>\$ 486</u>	<u>\$ (7)</u>	<u>\$ 187</u>	<u>\$ 14,800</u>
Current Assets	\$ 299,339	\$ 7,772	\$ 13,163	\$ 149	\$ 24	\$ 1,980	\$ 322,427
Current Liabilities.....	130,966	243	1,888	257	—	209	133,563
Net Working Capital.....	<u>\$ 168,373</u>	<u>\$ 7,529</u>	<u>\$ 11,275</u>	<u>\$ (108)</u>	<u>\$ 24</u>	<u>\$ 1,771</u>	<u>\$ 188,864</u>
Total Assets	\$ 1,353,706	\$ 15,702	\$ 13,163	\$ 2,039	\$ 42	\$ 2,448	\$ 1,387,100
Total Liabilities.....	1,179,759	1,918	1,888	457	—	209	1,184,231
Fund Equity	<u>\$ 173,947</u>	<u>\$ 13,784</u>	<u>\$ 11,275</u>	<u>\$ 1,582</u>	<u>\$ 42</u>	<u>\$ 2,239</u>	<u>\$ 202,869</u>
Long-Term Liabilities	<u>\$ 1,048,793</u>	<u>\$ 1,675</u>	<u>\$ —</u>	<u>\$ 200</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,050,668</u>
Current Capital Contributions	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0</u>
Fixed Assets							
July 1, 2000.....	\$ 2,423	\$ 1,099	\$ —	\$ 1,877	\$ 87	\$ 1,358	\$ 6,844
Additions	867	1	—	488	—	249	1,605
Deletions	(748)	(60)	—	—	—	(28)	(836)
Fixed Assets June 30, 2001	<u>\$ 2,542</u>	<u>\$ 1,040</u>	<u>\$ —</u>	<u>\$ 2,365</u>	<u>\$ 87</u>	<u>\$ 1,579</u>	<u>\$ 7,613</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Component Units – Colleges and Universities Segment Information (Expressed in Thousands)

	University of Utah	Utah State University	Weber State University	Southern Utah University	Salt Lake Community College	Utah Valley State College	Dixie State College	College of Eastern Utah	Snow College	Total
Revenues and										
Other Additions	\$1,492,627	\$ 376,885	\$ 106,025	\$ 76,707	\$ 94,254	\$ 112,753	\$ 27,639	\$ 16,831	\$ 32,685	\$2,336,406
Expenditures and										
Other Deductions	(1,610,880)	(432,889)	(138,618)	(95,471)	(148,955)	(136,755)	(37,126)	(30,022)	(32,674)	(2,663,390)
Operating Transfers from										
Primary Government	201,923	123,313	53,768	24,588	50,326	36,551	15,557	11,644	15,884	533,554
Net Increase (Decrease) in										
Fund Balances	83,670	67,309	21,175	5,824	(4,375)	12,549	6,070	(1,547)	15,895	206,570
Fund Balances –										
July 1, 2000	2,004,162	382,406	267,193	155,802	214,659	174,458	88,151	63,901	84,926	3,435,658
Fund Balances –										
June 30, 2001	<u>\$2,087,832</u>	<u>\$ 449,715</u>	<u>\$ 288,368</u>	<u>\$ 161,626</u>	<u>\$ 210,284</u>	<u>\$ 187,007</u>	<u>\$ 94,221</u>	<u>\$ 62,354</u>	<u>\$ 100,821</u>	<u>\$3,642,228</u>
Total Assets	<u>\$2,608,656</u>	<u>\$ 555,617</u>	<u>\$ 313,813</u>	<u>\$ 179,877</u>	<u>\$ 237,494</u>	<u>\$ 228,833</u>	<u>\$ 106,018</u>	<u>\$ 71,529</u>	<u>\$ 104,003</u>	<u>\$4,405,840</u>
Total Liabilities	<u>\$ 520,824</u>	<u>\$ 105,902</u>	<u>\$ 25,445</u>	<u>\$ 18,251</u>	<u>\$ 27,210</u>	<u>\$ 41,826</u>	<u>\$ 11,797</u>	<u>\$ 9,175</u>	<u>\$ 3,182</u>	<u>\$ 763,612</u>
Total Fixed Assets	<u>\$1,684,036</u>	<u>\$ 472,634</u>	<u>\$ 219,528</u>	<u>\$ 145,471</u>	<u>\$ 156,092</u>	<u>\$ 152,650</u>	<u>\$ 70,946</u>	<u>\$ 54,849</u>	<u>\$ 76,876</u>	<u>\$3,033,082</u>
Current Funds:										
Revenues	\$1,073,055	\$ 241,317	\$ 71,306	\$ 42,061	\$ 58,731	\$ 74,388	\$ 18,206	\$ 14,644	\$ 13,821	\$1,607,529
Expenditures	(1,270,590)	(357,480)	(120,790)	(64,961)	(104,270)	(106,621)	(32,857)	(26,714)	(29,134)	(2,113,417)
Excess Restricted Receipts Over										
Transfers to Revenues	23,718	14,124	1,438	(364)	(131)	544	(263)	(48)	212	39,230
Mandatory Transfers Out	(25,607)	(3,596)	—	(1,344)	(195)	—	(23)	(317)	—	(31,082)
Nonmandatory Transfers Out..	3,728	(6,362)	(1,732)	387	(3,426)	(4)	(393)	112	6	(7,684)
Operating Transfers from										
Primary Government	201,923	123,313	53,768	24,588	50,326	36,551	15,557	11,644	15,884	533,554
Net Increase (Decrease) in										
Fund Balances	<u>\$ 6,227</u>	<u>\$ 11,316</u>	<u>\$ 3,990</u>	<u>\$ 367</u>	<u>\$ 1,035</u>	<u>\$ 4,858</u>	<u>\$ 227</u>	<u>\$ (679)</u>	<u>\$ 789</u>	<u>\$ 28,130</u>

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

NOTE 14. LITIGATION, CONTINGENCIES, AND COMMITMENTS

A. Litigation

- The State is involved in various legal actions arising in the ordinary course of business. The State is vigorously contesting all of these matters, but as of this date it is not possible to determine the outcome of these proceedings. In the opinion of the Attorney General and management, the ultimate disposition of these matters will not have a material adverse effect on the State's financial position.
- Members of the Navajo Nation allege the State of Utah has mismanaged Navajo Trust Fund moneys. The plaintiffs are seeking an accounting of the legitimacy of the fund's receipts, disbursements, and damages. There is no way to estimate the outcome of this case, since this is a case of first impression and there is no similar case law available to help predict the outcome. However, if the State were ultimately held liable, the liability could be up to approximately \$52 million plus interest and attorneys' fees.
- A suit filed by the United Mine Workers of America claims the State Legislature wrongfully reallocated revenue generated from the *Utah Enabling Act's* Miners Hospital Grant lands to the University of Utah Medical Center. The plaintiffs seek a declaration that a separate hospital for disabled miners is required and that the proceeds received from the lands must be separately maintained. It also seeks a full accounting of all assets, together with an order requiring the State to establish a hospital to be maintained for disabled miners. It is not possible at this time to estimate the outcome or the financial impact an adverse ruling would have upon the State. However, if the State were ultimately held liable, the liability could range from \$1 million to \$25 million.
- A suit was filed by a landowner alleging breach of contract by the Utah State Armory Board and the Utah National Guard related to the sale of property. The suit is in the discovery stage and it is not possible at this time to predict the outcome. The plaintiff seeks damages of approximately \$16 million plus attorney's fees.

B. Contingencies

- Financial and compliance audits (Single Audit) of federal grants, contracts, and agreements were conducted under the provisions of the Federal Office of Management and Budget's circulars. As a result of the audits, identified questioned costs are immaterial. Other audit findings on noncompliance cannot be estimated as to the potential liability. The Single Audit for the fiscal year ended June 30, 2001, is in process and management expects proposed disallowances to be immaterial.

- Management's estimated liability for the Underground Petroleum Storage Tank Fund (Expendable Trust Fund which is part of the Restricted Trust Fund) is highly sensitive to change based on the short period of historical data and the uncertainties in estimating costs. Since it is not possible to determine the occurrence date of a leak in an underground storage tank, it is not possible to estimate the number or the associated costs of leaks that have not been detected.
- The State is totally self-insured against liability claims and up to \$2.5 million in property claims. According to an actuarial study and other known factors, \$42.665 million exists as either incurred but unfiled or unpaid claims. This amount is reported as a liability of the Administrative Services Risk Management Fund (Internal Service Fund).
- The Utah School Bond Guaranty Act (*Utah Code Annotated, 1953*, as amended, Sections 53A-28-101 to 402), which took effect on January 1, 1997, pledges the full faith, credit, and unlimited taxing power of the State to guaranty full and timely payment of the principal and interest on general obligation bonds issued by qualifying local school boards. The primary purpose of the Guaranty Act is to reduce borrowing costs for local school boards by providing credit enhancement for Guaranteed Bonds.

In the event a school board is unable to make the scheduled debt service payments on its Guaranteed Bonds, the State is required to make such payments in a timely manner. For this purpose, the State may use any available moneys, may use short-term borrowing from the State Permanent School Fund (Trust Lands Nonexpendable Trust Fund), or may issue short-term general obligation notes. The local school board remains liable to the State for any such payments on Guaranteed Bonds. Reimbursements to the State may be obtained by intercepting payment of state funds intended for the local school board. The State may also compel the local school board to levy a tax sufficient to reimburse the State for any guaranty payments.

The State Superintendent of Public Instruction is charged with monitoring the financial condition of local school boards and reporting, at least annually, its conclusions to the Governor, the Legislature, and the State Treasurer. The State Superintendent must report immediately any circumstances which suggest a local school board may not be able to pay its debt service obligations when due. The State does not expect that it will be required to advance moneys for the payment of debt service on Guaranteed Bonds for any significant period of time.

Local school boards have \$938.759 million principal amount of Guaranteed Bonds outstanding at June 30, 2001. The State estimates that an additional \$154 million principal amount of Guaranteed Bonds may be issued during the remainder of calendar year 2001. The State cannot predict the amount of bonds that may be guaranteed in future years, but no limitation is currently imposed by the Guaranty Act.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

- The Attorney General of the State sued the tobacco industry for medical costs related to smoking. The State of Utah has signed on to a master settlement agreement along with 46 other states. The major tobacco manufacturers and most smaller manufacturers have joined the agreement. The State received \$27.9 million from tobacco companies in fiscal year 2001 and expects to receive approximately \$32.5 million in fiscal year 2002. Annual payments are expected to continue for the next ten years but will be adjusted for factors such as inflation, decreased sales volume, previously settled law suits, disputed payments, and legal fees.

C. Commitments

- At June 30, 2001, the General Fund had loan and grant commitments of approximately \$79.635 million (\$75.722 million in loans, \$3.913 million in grants).
- Utah Retirement Systems (Pension Trust Funds) has at December 31, 2000, committed to fund certain venture capital partnerships and real estate projects for an amount of \$1.273 billion. Funding of \$767 million has been provided, leaving an unfunded commitment of \$506 million as of December 31, 2000.
- As of June 30, 2001, the Utah Housing Corporation (Component Unit, Proprietary Fund Type) has committed to purchase mortgages under the Single-Family Mortgage Purchase Program in the amount of \$27.221 million.
- At June 30, 2001, the Internal Service Funds had loan and grant commitments of approximately \$65.553 million (\$59.199 million in loans, \$6.354 million in grants).
- At June 30, 2001, the Enterprise Funds had loan and grant commitments of approximately \$55.7 thousand (\$40 thousand in loans, \$15.7 thousand in grants).
- At June 30, 2001, the Utah Higher Education Assistance Authority Student Loan Guarantee Program (Student Assistance Program, Enterprise Fund) had guaranteed student loans outstanding with an original principal amount of approximately \$1.435 billion.
- At June 30, 2001, the Department of Transportation had construction and other contract commitments of \$552.678 million, of which \$377.41 million is for Centennial Highway Fund (Special Revenue Fund) projects and \$175.268 million is for Transportation Fund (Special Revenue Fund) projects. These commitments will be funded with bonded debt and future appropriations.

NOTE 15. JOINT VENTURES

The Utah Communications Agency Network (UCAN) was created by the State Legislature in 1997 as an independent agency. Its purpose is to provide a single, coordinated public safety communication system in an eight-county area in Northern Utah. The fiscal year ending June 30, 2001, was UCAN's third year of operations.

UCAN's governing board is made of ten representatives from local governments and five representatives from state agencies. The chairman of the board of UCAN is the Chief of the South Jordan City Fire Department. The State has contracted to purchase communication services from UCAN to meet the needs of law enforcement officers in the Departments of Public Safety, Corrections, Natural Resources, and other smaller state agencies.

In fiscal year 1998 the State provided startup capital of \$185 thousand. UCAN receives federal funds as a subrecipient of grants awarded to the Department of Public Safety. UCAN also may receive legal counsel from the Attorney General's Office at no cost. Contracts with state agencies are estimated to provide over 30 percent of UCAN's operating revenues.

UCAN has \$17.060 million of certificates of participation debt outstanding, which was issued to purchase and install microwave towers and equipment. UCAN's debt is not a legal obligation of the State; however, if UCAN cannot meet its debt service requirements, state law allows the Governor to request an appropriation to restore the debt service reserve fund to its required level or to meet any principal or interest payment deficiency. The Legislature is not required to make any such appropriation, but if made, UCAN must repay the State within 18 months. To date, UCAN has never requested any such funding from the State and has had sufficient resources to cover its debt service and debt service reserve requirements.

The State Auditor's Office audits UCAN's financial statements. Copies of those statements can be obtained from UCAN's administrative office or from the State Auditor's Office.

NOTE 16. PENSION PLANS

Eligible employees of the State are covered by one of the following retirement plans:

A. Utah Retirement Systems

Utah Retirement Systems (URS) was established by Section 49 of *Utah Code Annotated, 1953*, as amended. URS administers the pension systems and plans under the direction of the URS Board,

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

which consists of the State Treasurer and six members appointed by the Governor. URS has a separate accounting system and prepares a separately issued financial report covering all retirement systems and deferred compensation plans administered by it. URS maintains records and prepares separately issued financial statements using fund accounting principles and the accrual basis of accounting under which expenses, including benefits and refunds, are recorded when the liability is incurred. Revenues, including contributions, are recorded in the accounting period in which they are earned and become measurable. URS reports on a calendar yearend. The December 31, 2000, financial report has been included in this Comprehensive Annual Financial Report as a Pension Trust Fund for the Public Employees Retirement System (PERS). The Deferred Compensation 457 Plan is reported as an expendable trust fund. Copies of the separately issued financial report that include financial statements and required supplemental information may be obtained by writing to Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102, or by calling 1-800-365-8772.

The URS operations are comprised of the following groups of systems and plans covering substantially all employees of the State, public education, and other political subdivisions of the State:

- The Public Employees Contributory Retirement System (Contributory System); the Public Employees Noncontributory Retirement System (Noncontributory System); and the Fire-fighters Retirement System, which are defined-benefit multiple-employer, cost-sharing, public employee retirement systems;
- The Public Safety Retirement System, which is a defined-benefit mixed cost-sharing and agent, multiple-employer retirement system;
- The Judges Retirement System and the Governors and Legislative Pension Plan, which are defined-benefit single-employer public employee retirement systems; and
- The 401(k) and 457 Plans, which are deferred compensation plans.

Retirement benefits are specified by Section 49 of *Utah Code Annotated, 1953*, as amended. The retirement systems are defined-benefit plans in which the benefits are based on age and/or years of service and highest average salary. Various plan options within the systems may be selected by retiring members. Some of the options require actuarial reductions based on attained age, age of spouse, and similar actuarial factors. A brief summary of eligibility for and benefits of the systems is provided in the following table:

(Table presented on next page)

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Summary of Eligibility and Benefits

	Contributory System	Noncontributory System	Public Safety System	Firefighters System	Judges System
Highest Average Salary	Highest 5 Years	Highest 3 Years	Highest 3 Years		Highest 2 Years
Years of Service	30 years any age	30 years any age	20 years any age		25 years any age
Required and/or Age	20 years age 60	*25 years any age	10 years age 60		*20 years age 55
Eligible for Benefit	10 years age 62	20 years age 60	4 years age 65		10 years age 62
	4 years age 65	10 years age 62			6 years age 70
		4 years age 65			
Benefit Percent per Year of Service	1.10% to June 1967 1.25% July 1967 to June 1975 2.00% July 1975 to present	2.00% per year	2.50% per year up to 20 years 2.00% per year over 20 years Benefit cannot exceed 70% of final average salary		5.00% first 10 years 2.25% second 10 years 1.00% over 20 years Benefit cannot exceed 75% of final average salary

*With full actuarial reductions

Former governors at age 65 receive \$1,040 per month per term. Legislators receive a benefit actuarially reduced at age 62 with ten or more years of service, or an unreduced benefit at age 65 with four or more years of service at the rate of \$23.20 per month per year of service. Both the governors' and legislators' benefits are adjusted based on the Consumer Price Index (CPI), limited to 4 percent of the base benefit per year.

Death benefits for active and retired employees are in accordance with retirement statutes. Upon termination of employment, members of the systems may leave their retirement account intact for future

benefits based on vesting qualification, or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based.

As a condition of participation in the systems, employers and/or employees are required to contribute certain percentages of salaries and wages as authorized by statute and specified by the Board. Employee contributions may be paid in part or in whole by the employer. Contributions in some systems are also augmented by fees, insurance premium taxes, or legislative appropriations. Below is a summary of system participants.

Participants December 31, 2000

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System	Judges System	Governors and Legislative Pension Plan
Number of participating:						
Employers.....	163	367	116	39	1	1
Members:						
Active	3,972	81,894	6,839	1,452	104	88
Terminated vested.....	1,487	17,112	832	48	6	81
Retirees and beneficiaries:						
Service benefits.....	8,107	17,755	2,319	761	75	219
Disability benefits.....	185	—	52	64	—	—

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Employer contribution rates consist of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the members during the current service year) and (2) an amount for amortization of the unfunded actuarial accrued liability over a period representing the remainder of the original 30 year amortization period. These rates are determined using the entry age actuarial cost method with a supplemental present value.

The following table presents the State of Utah's actuarially determined employer contributions required and paid to URS. These amounts are equal to the annual pension costs for each of the stated years and all of these amounts were paid for each year. Accordingly, the net pension obligation (NPO) at the end of each year was zero. For the Governors and Legislative Pension Plan, there has been no annual pension cost, required contributions, or NPO because the plan was overfunded for each of these years.

**State of Utah's Employer Contributions
Required and Paid
For Fiscal Years Ended June 30
(Expressed in Thousands)**

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System	Judges System	Total All Systems
Primary Government:						
2001	\$ 4,902	\$ 78,752	\$ 19,772	\$ 56	\$ 1,615	\$ 105,097
2000	\$ 4,943	\$ 75,769	\$ 19,717	\$ 70	\$ 1,572	\$ 102,071
1999	\$ 5,005	\$ 72,361	\$ 17,075	\$ 67	\$ 1,868	\$ 96,376
1998	\$ 5,082	\$ 67,040	\$ 16,106	\$ 58	\$ 1,899	\$ 90,185
1997	\$ 5,202	\$ 61,782	\$ 13,865	\$ 44	\$ 1,721	\$ 82,614
Component Units:						
Colleges and Universities:						
2001	\$ 2,398	\$ 33,575	\$ 442	\$ —	\$ —	\$ 36,415
2000	\$ 2,469	\$ 32,839	\$ 445	\$ —	\$ —	\$ 35,753
1999	\$ 2,457	\$ 30,789	\$ 356	\$ —	\$ —	\$ 33,602
1998	\$ 2,478	\$ 29,214	\$ 344	\$ —	\$ —	\$ 32,036
1997	\$ 2,548	\$ 29,694	\$ 318	\$ —	\$ —	\$ 32,560
Proprietary Type Funds:						
2001	\$ 50	\$ 352	\$ —	\$ —	\$ —	\$ 402
2000	\$ 143	\$ 2,416	\$ —	\$ —	\$ —	\$ 2,559
1999	\$ 134	\$ 2,158	\$ —	\$ —	\$ —	\$ 2,292
1998	\$ 130	\$ 1,989	\$ —	\$ —	\$ —	\$ 2,119
1997	\$ 122	\$ 1,756	\$ —	\$ —	\$ —	\$ 1,878
Total Primary Government and Component Units:						
2001	\$ 7,350	\$ 112,679	\$ 20,214	\$ 56	\$ 1,615	\$ 141,914
2000	\$ 7,555	\$ 111,024	\$ 20,162	\$ 70	\$ 1,572	\$ 140,383
1999	\$ 7,596	\$ 105,308	\$ 17,431	\$ 67	\$ 1,868	\$ 132,270
1998	\$ 7,690	\$ 98,243	\$ 16,450	\$ 58	\$ 1,899	\$ 124,340
1997	\$ 7,872	\$ 93,232	\$ 14,183	\$ 44	\$ 1,721	\$ 117,052

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

The following schedule summarizes contribution rates in effect as of December 31, 2000:

Contribution Rates as a Percent of Covered Payroll

System	Member	Employer	Other
Contributory	6.00%	6.31% – 9.19%	—
Noncontributory.....	—	10.32% – 13.68%	—
Public Safety:			
Contributory.....	10.50% – 13.74%	5.88% – 22.56%	—
Noncontributory.....	—	17.40% – 34.73%	—
Firefighters:			
Group A	10.20%	—	8.71%
Group B	15.50%	—	8.71%
Judges	8.00%	7.10% – 15.10%	20.29%
Governors and Legislative	—	—	—

401(k) and 457 Deferred Compensation Plans

The 401(k) Plan and 457 Plan administered by URS, in which the State participates, are deferred compensation plans. These plans are available as supplemental plans to the basic retirement benefits of the retirement systems for employees of employers which have adopted the 401(k) and 457 Plans. Voluntary contributions may be made into the plans subject to plan and Internal Revenue Code limitations. Employer contributions may be made into the plans at rates determined by the employers. There are 321 employers participating in the 401(k) Plan and 153 employers participating in the 457 Plan. There are 125,006 employees and retirees of those employers who are members of the 401(k) Plan and 9,423 who are members of the 457 Plan.

After termination of employment, benefits are paid out to individuals in lump sum, or as periodic benefit payments, at the option of the participant based on individual account balances. The 401(k) Plan and 457 Plan account balances are fully vested to the participants at the time of deposit. Investments of the plans are reported at fair value.

Employees of the State are eligible to participate in the deferred compensation 401(k) Plan. The State and participating employers are required to contribute to employees who participate in the noncontributory retirement plan. The State contributes 1.5 percent of eligible employees' salaries which amount vests immediately. The amounts contributed to the 401(k) Plan during the year ended

June 30, 2001, by employees and employers are as follows: for Primary Government, \$30.831 million and \$9.933 million; for Component Units – Colleges and Universities, \$2.286 million and \$3.607 million; for Component Units – Proprietary, \$131 thousand and \$41 thousand; and the combined total for all is \$33.248 million and \$13.581 million, respectively.

Pension Receivables and Investments

Investments are presented at fair value. The fair value of investments is based on published prices and quotations from major investment brokers at current exchange rates, as available. Many factors are considered in arriving at that value. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Mortgages have been valued on an amortized cost basis which approximates fair value. The fair value of real estate investments has been estimated based on independent appraisals. For investments where no readily ascertainable fair value exists, management, in consultation with their investment advisors, have determined the fair value for the individual investments. Approximately 10 percent of the net assets held in trust for the pension benefits are invested in bonds of the U.S. Government and its instrumentalities. The systems and plans have no investments of any commercial or industrial organization whose fair value equals five percent or more of the net assets available for benefits. The principal components of the receivables and investment categories are presented below.

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Pension Receivables and Investments (Expressed in Thousands)

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System	Judges System	Governors and Legislative Pension Plan	401 (k) Plan	Total December 31, 2000
Receivables:								
Member Contributions	\$ 440	\$ —	\$ 201	\$ 396	\$ —	\$ —	\$ —	\$ 1,037
Employer Contributions.....	591	20,598	1,999	—	891	—	—	24,079
Court Fees and Fire Insurance Premium.....	—	—	—	—	60	—	—	60
Investments	33,537	369,045	45,900	19,171	3,078	416	20,777	491,924
Total Receivables	<u>\$ 34,568</u>	<u>\$ 389,643</u>	<u>\$ 48,100</u>	<u>\$ 19,567</u>	<u>\$ 4,029</u>	<u>\$ 416</u>	<u>\$ 20,777</u>	<u>\$ 517,100</u>
Investments:								
Bonds	\$ 240,889	\$ 2,650,796	\$ 329,681	\$ 137,704	\$ 22,112	\$ 2,987	\$ 367,939	\$ 3,752,108
Equity Investments	520,204	5,724,456	711,951	297,373	47,751	6,451	852,248	8,160,434
Venture Capital	74,732	822,370	102,277	42,721	6,860	927	—	1,049,887
Real Estate	80,683	887,854	110,423	46,122	7,406	1,000	—	1,133,488
Mortgage Loans.....	247	2,720	339	141	23	3	—	3,473
Invested Securities								
Lending Collateral	101,811	1,120,346	139,338	58,200	9,345	1,262	29,528	1,459,830
Investment Contracts	—	—	—	—	—	—	38,217	38,217
Total Investments	<u>\$ 1,018,566</u>	<u>\$ 11,208,542</u>	<u>\$ 1,394,009</u>	<u>\$ 582,261</u>	<u>\$ 93,497</u>	<u>\$ 12,630</u>	<u>\$ 1,287,932</u>	<u>\$ 15,597,437</u>

Actuarial Methods and Assumptions

The latest actuarial valuation and study was dated January 1, 2000. The actuarial accrued liability and schedule of funding progress is presented by the retirement systems for the last ten years in their separately presented financial reports based on the report generated by that study conducted by Watson Wyatt & Company. The actuarial value of assets for that date is based on a smoothed expected investment income rate of 8 percent. Investment income in excess or shortfall of the expected 8 percent return on fair value is smoothed over a five-year period with 20 percent of a year's excess

or shortfall being recognized each year, beginning with the current year. All systems use the entry age actuarial cost method and the level percent of payroll amortization method. The remaining amortization period for all systems is open group, 20 years, closed period. An inflation rate of 3 percent is used for all systems. Post retirement cost of living adjustments are non-compounding and are based on the original benefit. The adjustments are also limited to the actual CPI increase for the year with any unusual CPI increase not met carried forward to subsequent years. Below is the Schedule of Funding Progress.

(Table presented on next page)

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Schedules of Funding Progress By Valuation Date (Expressed in Thousands)

	Contributory System	Noncontributory System	Public Safety System	Firefighters System	Judges System	Governors and Legislative Pension Plan
Actuarial Value of Assets:						
January 1, 1999.....	\$ 840,215	\$ 7,931,193	\$ 988,800	\$ 423,405	\$ 67,998	\$ 9,988
January 1, 2000.....	\$ 878,190	\$ 9,237,447	\$ 1,146,331	\$ 483,374	\$ 78,130	\$ 10,946
December 31, 2000.....	\$ 934,073	\$ 10,351,833	\$ 1,286,996	\$ 536,503	\$ 87,139	\$ 11,569
Actuarial Accrued Liability (AAL):						
January 1, 1999.....	\$ 891,983	\$ 8,335,731	\$ 1,034,147	\$ 407,703	\$ 67,211	\$ 7,278
January 1, 2000.....	\$ 894,484	\$ 9,006,308	\$ 1,105,166	\$ 419,157	\$ 68,134	\$ 8,253
December 31, 2000.....	\$ 914,900	\$ 9,744,280	\$ 1,200,582	\$ 451,635	\$ 73,771	\$ 8,244
Unfunded Actuarial Accrued Liability (UAAL):						
January 1, 1999.....	\$ 51,768	\$ 404,538	\$ 45,347	\$ (15,702)	\$ (787)	\$ (2,710)
January 1, 2000.....	\$ 16,294	\$ (231,139)	\$ (41,165)	\$ (64,217)	\$ (9,996)	\$ (2,693)
December 31, 2000.....	\$ (19,173)	\$ (607,553)	\$ (86,414)	\$ (84,868)	\$ (13,368)	\$ (3,325)
Funding Ratios:						
January 1, 1999.....	94.2%	95.1%	95.6%	103.9%	101.2%	137.2%
January 1, 2000.....	98.2%	102.6%	103.7%	115.3%	114.7%	132.6%
December 31, 2000.....	102.1%	106.2%	107.2%	118.8%	118.1%	140.3%
Annual Covered Payroll:						
January 1, 1999	\$ 137,042	\$ 2,365,650	\$ 212,414	\$ 54,326	\$ 9,388	\$ 468
January 1, 2000	\$ 137,561	\$ 2,499,087	\$ 226,057	\$ 57,561	\$ 10,104	\$ 468
December 31, 2000.....	\$ 141,067	\$ 2,659,200	\$ 247,985	\$ 63,274	\$ 10,397	\$ 464
UAAL as a Percent of Covered Payroll:						
January 1, 1999.....	37.8%	17.1%	21.3%	(28.9)%	(8.4)%	(579.1)%
January 1, 2000.....	11.8%	(9.2)%	(18.2)%	(111.6)%	(98.9)%	(575.4)%
December 31, 2000.....	(13.6)%	(22.8)%	(34.8)%	(134.1)%	(128.6)%	(716.6)%

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

B. Teachers Insurance and Annuity Association

The Teachers Insurance and Annuity Association and/or College Retirement Equities Fund (TIAA-CREF), privately administered defined-contribution retirement plans, provide individual retirement fund contracts for each eligible participating employee. Eligible employees consist mainly of state college/university and applied technology center faculty. Benefits to retired employees are generally based on the value of the individual contracts and the

estimated life expectancy of the employee at retirement and are fully vested from the date of employment. The total current year required contribution and the amount paid is 14.2 percent of the employee's annual salary. Most of the employers contribute both the employer and the employee share of 7.1 percent. The State has no further liability once annual contributions are made.

The following table presents the State of Utah's actual employer contributions to the TIAA-CREF retirement system:

State of Utah's Employer Contributions
For the Years Ended June 30, 2000 and 2001
(Expressed in Thousands)

	Contribution Required and Paid 2000	Contribution Required and Paid 2001
Primary Government.....	\$ 633	\$ 611
Component Units:		
College and University	78,486	83,880
Total	<u>\$ 79,119</u>	<u>\$ 84,491</u>

C. Travelers Insurance Retirement Plan

There are 137 employees of the Department of Workforce Services (General Fund) participating in the Travelers Insurance Plan, which is a deposit fund administered retirement plan. The employer payments are fully funded through federal revenues from the U.S. Department of Labor.

The contribution is 7 percent of the employee's annual salary, of which 3.05 percent is paid by the employee, and 3.95 percent is paid by the employer for the employee. The employer is also contributing to prior service costs. Retirement benefits are computed using salary, age, and years of service.

According to the latest periodic actuarial valuation on January 1, 2001, the present value of future retirement benefits is \$169.454 million, and the unfunded liability is \$11.373 million. Net assets available for benefits are \$158.579 million. The unfunded liability represents cost-of-living increases on benefits. The average assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 7.5 percent for 2001 and 2000.

The State of Utah's actual current year employer contributions, including prior year service costs, to the Travelers Retirement Plan from the General Fund in fiscal years ended June 30, 2001 and 2000, were \$1.674 million and \$2.355 million, respectively.

NOTE 17. POSTEMPLOYMENT BENEFITS

At the option of the individual state departments, employees may be offered a retirement incentive program, as set forth in Section 67-19-14(2) of the *Utah Code Annotated, 1953*, as amended. In order to qualify, the employee must be eligible to receive retirement benefits. Upon retirement most employees, including those age 65 and over, may be paid for 25 percent of unused accumulated sick leave at the employee's current rate of pay. In addition, the employee may receive health and life insurance coverage up to age 65, but not to exceed five years. If the employee has not reached age 65 after the five-year limitation is reached, they may exchange one sick leave day in excess of 60 days, after the 25 percent payout, for one month of paid health and life insurance coverage, or after age 65 spouse health insurance to age 65, or Medicare supplemental insurance for the employee or spouse. As of June 30, 2001, there were 1,387 individuals on the program. The insurance coverage is paid 100 percent by the State.

The State has estimated a liability for current employees who will eventually retire in addition to an estimated liability for employees who have already retired. Of the liability for postemployment benefits and compensated absences, \$260.268 million is funded from designated accrued taxes, and \$41.234 million is unfunded and reported in the General Long-Term Obligation Account Group. The liability in the Pension Trust Funds of \$1.554 million is funded by Utah Retirement Systems. The ongoing payments for postemployment benefits and compensated absences are charged to state agencies as

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

benefits are earned. For the year ended June 30, 2001, the governmental fund postemployment benefits portion of the cumulative liability was \$205.091 million, and \$14.074 million in postemployment benefits expenditures were recognized.

All employers who participate in the State Retirement Systems are eligible to participate in the Public Employees Long-Term Disability Program per Section 49–9–203 of the *Utah Code Annotated, 1953*, as amended. Employees of those state agencies who participate in the program and meet long-term disability eligibility receive benefits for the duration of their disability up to the time they are eligible for retirement or until age 65. Benefits begin after a three month waiting period and are paid 100 percent by the program. As of June 30, 2001, there are 308 state employees receiving benefits. The program is funded by paying premiums to the Employees Group Insurance Fund (Internal Service Fund), where assets are set aside for future payments. For the year ended June 30, 2001, the State paid \$4.091 million in premiums and the program has \$63.157 million in assets.

The colleges and universities offer early retirement incentives, as approved by their boards of trustees, which may provide health, dental, and life insurance; incentive pay or stipends; or long-term disability. Eligibility requirements differ, depending on the college or university. In general, the employee must be at least 52–60 years of age with a minimum of 15–16 years of service. Some of the colleges and universities also require that the sum of the employee's age and years of service be at least 75. The employee may receive these benefits up to age 65 but not to exceed 5–10 years. The ranges for incentive and stipend pay are from 14.28 percent to 30 percent of the employee's salary upon retirement. The benefits are funded on a pay-as-you-go basis. As of June 30, 2001, there are 458 individuals participating in the programs, and \$7.904 million was expended during the year. The total liability for postemployment benefits and compensated absences in the College and University Funds at June 30, 2001, was \$54.803 million. The postemployment benefits portion of the cumulative liability was \$14.702 million.

NOTE 18. RISK MANAGEMENT AND INSURANCE

It is the policy of the State of Utah to periodically assess the proper combination of commercial insurance and self-insurance to cover the risk of losses to which it may be exposed. This is accomplished by the State through the Risk Management and Employees Group Insurance Funds (Internal Service Funds). The Risk Management Fund manages the general property and liability risk of the State, and the Employees Group Insurance Fund manages the health insurance programs of the State. The University of Utah and Utah State University (Colleges and Universities – Component Units) each maintain self-insurance funds to manage health care. The University of Utah also maintains self-insurance funds to manage auto/physical damage, and medical malpractice liabilities.

The State has determined that the risk funds can economically and effectively manage the State's risks internally and have set aside assets for claim settlement. The risks are covered through reserves and commercial insurance for excessive losses. The State has not had any losses or settlements that exceeded the commercial excess insurance coverage for any of the last three years. The risk funds service all claims for risk of loss to which the State is exposed, including general liability, property and casualty, group medical and dental, and some environmental claims. They also service the general risk claims for many local school districts and local health departments within the State. All funds, agencies, and public authorities of the State may participate in the State's Risk Management and Employees Group Insurance Funds. The risk funds allocate the cost of providing claims servicing, claims payment, and commercial insurance by charging a "premium" to each agency, public authority, or employee, based on each organization's estimated current year liability and property values. The liability is determined using an independent actuarial study based on past, current, and estimated loss experiences.

Risk Management and Employees Group Insurance Fund claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated and include an amount for claims that have been incurred but not reported. Because actual claims liabilities are affected by complex factors including inflation, changes in legal doctrines and insurance benefits, and unanticipated damage awards, the process used in computing claims liabilities does not necessarily result in exact amounts. Claims liabilities are recomputed periodically by actuaries to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Inflation is included in this calculation because reliance is based on historical data that reflects past inflation and other appropriate modifiers. Risk Management claims liabilities are reported at an 80 percent statistical confidence level. Employees Group Insurance Fund long-term disability benefit reserves are reported using a discount rate of 7 percent.

The State covers its workers' compensation risk by purchasing insurance from The Workers' Compensation Fund (a related organization). The University of Utah and Utah State University report claim liabilities if it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The University of Utah and the University Hospital have a "claims made" umbrella malpractice insurance policy in an amount considered adequate by its respective administrations for catastrophic malpractice liabilities in excess of the trusts' fund balances. Amounts for the current year are included below.

The following table presents the changes in claims liabilities balances (short-and long-term combined) during fiscal years ended June 30, 2000, and June 30, 2001:

STATE OF UTAH

NOTES TO THE COMBINED FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2001

Changes in Claims Liabilities (Expressed in Thousands)

	Beginning Balance	Current Year Claims and Changes in Estimates	Claims Payments	Ending Balance
Risk Management:				
2000	\$ 37,711	\$ 8,726	\$ (9,577)	\$ 36,860
2001	\$ 36,860	\$ 14,914	\$ (7,447)	\$ 44,327
Employees Group Insurance:				
2000	\$ 61,066	\$ 226,705	\$(219,647)	\$ 68,124
2001	\$ 68,124	\$ 249,214	\$(242,939)	\$ 74,399
College and University Self-Insurance:				
2000	\$ 16,278	\$ 83,434	\$ (78,868)	\$ 20,844
2001	\$ 20,844	\$ 89,613	\$ (91,059)	\$ 19,398

NOTE 19. SUBSEQUENT EVENTS

On July 1, 2001, the State issued \$348 million of General Obligation Bonds Series 2001 B. Principal on the bonds is due annually commencing July 1, 2004, through July 1, 2014. Bond interest is due semi-annually commencing January 1, 2002, at an interest rate of 4.5 percent. The proceeds were used to refund \$208 million of prior bonds, provide funds for certain highway projects, and fund various other construction projects.

Due to a slowing economy, revenue forecasts for the fiscal year ending June 30, 2002, declined from previous estimates by \$177 million. As a result, the Governor reduced fiscal year 2002 budgetary allotments to state agencies by nearly \$80 million and in October 2002 asked state agencies, except public education, higher education, and public safety, to reduce budgets by an additional 1 to 2 percent. The Governor is also recommending that as much as \$60 million of the \$120 million in the State's Budgetary Reserve Account (Rainy Day Fund) be used to cover the deficiency. Use of the fund requires legislative approval and this proposal will likely be considered in the 2002 legislative session.

The Student Loan Purchase Program issued additional Student Loan Revenue Bonds under the authority of the 1993 Revenue Bonds General Indenture, Eighth Supplemental Indenture in the amount of \$120.015 million dated September 15, 2001.

On July 3, 2001, Weber State University issued \$12.28 million in Student Facilities System Revenue Bonds, Series 2001. Principal on the bonds is due annually commencing April 1, 2003, through April 1, 2031. Bond interest is due semiannually commencing April 1, 2002, at rates ranging from 4 to 5.25 percent.

On October 11, 2001, Salt Lake Community College issued \$5.89 million of Auxiliary System and Student Fee Revenue Bonds Series 2001. Bond principal is due annually from June 1, 2002, through June 1, 2016. Bond interest is due semiannually commencing December 1, 2001, at rates from 2.5 to 5.5 percent.

On July 18, 2001, the University of Utah issued \$2.755 million of Auxiliary and Campus Facilities System Revenue Bonds Series 2001. Principal on the bonds is due annually commencing April 1, 2003, through April 1, 2015. Bond interest is due semiannually commencing October 1, 2001, at rates from 3.5 to 5.125 percent.

On August 7, 2001, the University of Utah issued \$26.67 million of Hospital Revenue Bonds Series 2001. Principal on the bonds is due annually commencing August 1, 2014, through August 1, 2021. Bond interest is due semiannually commencing February 1, 2002, at rates ranging from 5 to 5.5 percent. Proceeds from the bonds will be used to finance certain costs associated with expansion of the University Hospital.

Subsequent to June 30, 2001, the Utah Housing Corporation issued \$19 million in Single-Family Mortgage Purchase Variable Rate Bonds, 2001 Series C, maturing on July 1, 2017, and January 1, 2033, interest at a variable rate adjusted weekly, and issued \$6 million in Single-Family Mortgage Purchase Fixed Rate Bonds, 2001 Series C, maturing on January 1, 2021, and 2028, at interest rates of 5.5 to 5.65 percent.

Utah Technology Finance Corporation has discontinued its operations effective August 17, 2001, except for the collection of the Corporation's outstanding State-funded loans receivable. During the next 18 to 24 months, the Corporation will remit collected receivables to the State and will liquidate all remaining assets.

STATE OF UTAH

COMBINING STATEMENT OF PLAN NET ASSETS DEFINED BENEFIT PENSION PLANS AND OTHER PENSION TRUST FUNDS

June 30, 2001

(Expressed in Thousands)

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System
Assets				
Cash and Cash Equivalents	\$ 41,394	\$ 455,495	\$ 56,665	\$ 23,663
Receivables:				
Member Contributions	440	—	201	396
Employer Contributions	591	20,598	1,999	—
Court Fees and Fire Insurance Premiums	—	—	—	—
Investments	33,537	369,045	45,900	19,171
Total Receivables	34,568	389,643	48,100	19,567
Investments:				
Bonds	240,889	2,650,796	329,681	137,704
Equity Investments	520,204	5,724,456	711,951	297,373
Venture Capital	74,732	822,370	102,277	42,721
Real Estate	80,683	887,854	110,423	46,122
Mortgage Loans	247	2,720	339	141
Invested Securities Lending Collateral	101,811	1,120,346	139,338	58,200
Investment Contracts	—	—	—	—
Total Investments	1,018,566	11,208,542	1,394,009	582,261
Fixed Assets:				
Land	127	1,393	173	72
Buildings and Improvements	726	7,990	994	413
Machinery and Equipment	209	2,295	285	119
Accumulated Depreciation	(418)	(4,601)	(572)	(238)
Total Fixed Assets	644	7,077	880	366
Total Assets	1,095,172	12,060,757	1,499,654	625,857
Liabilities				
Vouchers Payable	43,293	476,524	59,247	24,750
Leave/Postemployment Benefits	111	1,217	151	63
Securities Lending Liability	101,811	1,120,346	139,338	58,200
Insurance Reserves	3,537	38,925	4,840	2,022
Total Liabilities	148,752	1,637,012	203,576	85,035
Fund Balances				
Employee Deferred Compensation	—	—	—	—
Reserved For Pension Benefits	946,420	10,423,745	1,296,078	540,822
Total Fund Balances	\$ 946,420	\$ 10,423,745	\$ 1,296,078	\$ 540,822

Judges System	Governors and Legislative Pension Plan	Deferred Compensation 401(k) Plan	Total June 30, 2001
<u>\$ 3,800</u>	<u>\$ 514</u>	<u>\$ 820</u>	<u>\$ 582,351</u>
—	—	—	1,037
891	—	—	24,079
60	—	—	60
<u>3,078</u>	<u>416</u>	<u>20,777</u>	<u>491,924</u>
<u>4,029</u>	<u>416</u>	<u>20,777</u>	<u>517,100</u>
22,112	2,987	367,939	3,752,108
47,751	6,451	852,248	8,160,434
6,860	927	—	1,049,887
7,406	1,000	—	1,133,488
23	3	—	3,473
9,345	1,262	29,528	1,459,830
<u>—</u>	<u>—</u>	<u>38,217</u>	<u>38,217</u>
<u>93,497</u>	<u>12,630</u>	<u>1,287,932</u>	<u>15,597,437</u>
12	2	—	1,779
68	9	—	10,200
19	3	—	2,930
<u>(39)</u>	<u>(6)</u>	<u>—</u>	<u>(5,874)</u>
<u>60</u>	<u>8</u>	<u>0</u>	<u>9,035</u>
<u>101,386</u>	<u>13,568</u>	<u>1,309,529</u>	<u>16,705,923</u>
3,975	537	3,269	611,595
10	2	—	1,554
9,345	1,262	29,528	1,459,830
<u>325</u>	<u>43</u>	<u>—</u>	<u>49,692</u>
<u>13,655</u>	<u>1,844</u>	<u>32,797</u>	<u>2,122,671</u>
—	—	1,276,732	1,276,732
<u>87,731</u>	<u>11,724</u>	<u>—</u>	<u>13,306,520</u>
<u>\$ 87,731</u>	<u>\$ 11,724</u>	<u>\$ 1,276,732</u>	<u>\$ 14,583,252</u>

State of Utah

*Welcoming
the World...*

Comprehensive Annual Financial Report

For the
Fiscal Year Ended
June 30, 2001

SALT LAKE 2002
light the fire within



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

Michael O. Leavitt Governor
Olene S. Walker Lt. Governor
Auston G. Johnson, CPA State Auditor
Edward T. Alter, CPA State Treasurer
Mark L. Shurtleff Attorney General
L. Alma "Al" Mansell President of the Senate
Martin R. Stephens Speaker of the House
Richard C. Howe Chief Justice, Supreme Court

OTHER STATE OFFICIALS

Raylene G. Ireland Executive Director, Dept. of Administrative Services
Kim S. Thorne, CPA Director, Division of Finance
Lynne N. Ward, CPA Director, Office of Planning and Budget
John E. Massey Legislative Fiscal Analyst
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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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STATE OF UTAH

GENERAL FUND

The General Fund

is maintained to account for all the governmental financial resources and transactions not accounted for in another fund.

STATE OF UTAH

COMPARATIVE BALANCE SHEET GENERAL FUND

June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000
Assets		
Cash and Cash Equivalents	\$ 170,431	\$ 187,595
Investments	240,415	202,772
Receivables:		
Accounts, Net	403,160	245,512
Notes/Mortgages	216,644	191,706
Accrued Interest	1,907	1,758
Designated Accrued Taxes, Net	200,671	179,191
Due From Other Funds	39,889	31,669
Advances to Other Funds	24,322	28,630
Inventories	582	702
Total Assets	\$ 1,298,021	\$ 1,069,535
Liabilities and Fund Balance		
Liabilities:		
Vouchers Payable	\$ 167,653	\$ 142,782
Accrued Liabilities	54,892	52,183
Due to Other Funds	9,343	10,611
Due to Component Units	359	75
Deferred Revenue	157,992	26,607
Leave/Postemployment Benefits	199,715	190,318
Total Liabilities	589,954	422,576
Fund Balance:		
Reserved:		
Reserved for Nonlapsing Appropriations	87,526	64,853
Reserved for Loan Programs	290,329	260,931
Reserved by Statute for Other Programs	106,785	108,947
Reserved for Advances to Other Funds	24,322	28,630
Total Reserved	508,962	463,361
Unreserved Designated:		
Designated for Future Appropriations	67,161	48,498
Designated Budget/Revenue Deficit Account	120,330	109,724
Total Unreserved Designated	187,491	158,222
Unreserved Undesignated	11,614	25,376
Total Fund Balance	708,067	646,959
Total Liabilities and Fund Balance	\$ 1,298,021	\$ 1,069,535

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GENERAL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	<u>June 30, 2001</u>	<u>June 30, 2000</u>
Revenues:		
Unrestricted:		
Sales Tax	\$ 1,430,929	\$ 1,369,151
Licenses, Permits, and Fees	16,963	16,738
Investment Income	26,636	19,075
Miscellaneous Taxes and Other	194,389	211,809
Total Unrestricted	<u>1,668,917</u>	<u>1,616,773</u>
Restricted:		
Restricted Sales Tax	10,117	9,798
Federal Contracts and Grants	1,214,201	1,127,858
Departmental Collections	181,748	164,790
Federal Mineral Lease	49,566	34,957
Investment Income	18,832	16,525
Restricted Taxes	(139)	4,504
Miscellaneous	74,325	85,202
Total Restricted	<u>1,548,650</u>	<u>1,443,634</u>
Total Revenues	<u>3,217,567</u>	<u>3,060,407</u>
Expenditures:		
Current:		
General Government	254,001	245,940
Human Services	333,327	340,466
Corrections	183,395	175,198
Health and Environmental Quality	1,097,147	985,888
Higher Education	36,118	31,280
Natural Resources	104,859	97,586
Business, Labor, and Agriculture	49,417	46,233
Community and Economic Development	82,381	73,881
Employment and Family Services	286,304	285,517
Public Safety	120,454	107,554
Leave/Postemployment Benefits	7,083	12,828
Total Expenditures	<u>2,554,486</u>	<u>2,402,371</u>
Excess Revenues Over (Under) Expenditures	<u>663,081</u>	<u>658,036</u>
Other Financing Sources (Uses):		
Proceeds of Revenue Bonds/Contracts	1,602	—
Operating Transfers In	268,793	248,069
Operating Transfers Out	(312,737)	(265,429)
Operating Transfers From Component Units	526	—
Operating Transfers To Component Units	(537,279)	(503,641)
Total Other Financing Sources (Uses)	<u>(579,095)</u>	<u>(521,001)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	83,986	137,035
Beginning Fund Balance	646,959	525,268
Residual Equity Transfers	(22,878)	(15,344)
Ending Fund Balance	<u>\$ 708,067</u>	<u>\$ 646,959</u>

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL GENERAL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted Revenues:						
Sales Tax	\$ 1,400,000	\$ 1,431,427	\$ 31,427	\$ 1,359,871	\$ 1,369,637	\$ 9,766
Licenses, Permits, and Fees:						
Insurance Fees	6,419	6,858	439	5,470	6,621	1,151
Court Fees	3,384	2,809	(575)	3,041	2,799	(242)
Other Licenses, Permits, and Fees	6,241	7,313	1,072	5,974	7,339	1,365
Investment Income	15,000	27,513	12,513	16,000	19,534	3,534
Miscellaneous Taxes and Other:						
Beer Tax	10,000	10,320	320	10,000	10,023	23
Cigarette and Tobacco Tax	50,000	47,589	(2,411)	51,000	48,004	(2,996)
Inheritance Tax	9,000	30,017	21,017	11,000	64,559	53,559
Insurance Premium Tax	52,000	45,997	(6,003)	49,000	52,180	3,180
Oil, Gas, and Mining Severance Tax	19,500	45,561	26,061	16,500	23,178	6,678
Taxpayer Rebates	(4,200)	(5,412)	(1,212)	(4,000)	(4,373)	(373)
Court Collections	6,514	6,436	(78)	6,131	6,515	384
Miscellaneous Other	8,493	13,881	5,388	9,147	11,723	2,576
Total Unrestricted Revenues	<u>1,582,351</u>	<u>1,670,309</u>	<u>87,958</u>	<u>1,539,134</u>	<u>1,617,739</u>	<u>78,605</u>
Restricted Revenues:						
Restricted Sales Tax	10,117	10,117	0	9,798	9,798	0
Federal Contracts and Grants	1,219,218	1,219,218	0	1,133,188	1,133,188	0
Departmental Collections	188,694	199,768	11,074	173,266	183,551	10,285
Higher Education Dedicated Credits	192,929	192,929	0	170,253	170,253	0
Federal Mineral Lease	31,400	49,566	18,166	33,000	34,957	1,957
Investment Income	19,402	18,832	(570)	11,909	16,525	4,616
Restricted Taxes	(139)	(139)	0	4,504	4,504	0
Miscellaneous	303,176	301,010	(2,166)	298,090	301,814	3,724
Total Restricted Revenues	<u>1,964,797</u>	<u>1,991,301</u>	<u>26,504</u>	<u>1,834,008</u>	<u>1,854,590</u>	<u>20,582</u>
Total Revenues	<u>3,547,148</u>	<u>3,661,610</u>	<u>114,462</u>	<u>3,373,142</u>	<u>3,472,329</u>	<u>99,187</u>
Intrafund Eliminations		<u>(444,043)</u>			<u>(411,922)</u>	
Total Revenues GAAP Basis		<u>3,217,567</u>			<u>3,060,407</u>	

Continues

Continued

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:						
Current:						
General Government	\$ 285,549	\$ 259,165	\$ 26,384	\$ 275,829	\$ 255,578	\$ 20,251
Human Services	527,415	518,143	9,272	512,756	512,662	94
Corrections	186,201	183,890	2,311	180,038	175,803	4,235
Health and Environmental Quality	1,147,605	1,136,591	11,014	1,033,232	1,025,242	7,990
Higher Education	770,140	770,140	0	709,375	708,496	879
Natural Resources	140,845	109,009	31,836	118,963	100,654	18,309
Business, Labor, and Agriculture	59,928	50,112	9,816	57,249	46,738	10,511
Community and Economic Development	99,975	85,060	14,915	88,202	76,135	12,067
Employment and Family Services	292,839	291,793	1,046	291,924	291,806	118
Public Safety	128,479	121,147	7,332	113,946	108,435	5,511
Leave/Postemployment Benefits	7,083	7,083	0	12,828	12,828	0
Total Expenditures	3,646,059	3,532,133	113,926	3,394,342	3,314,377	79,965
Higher Education and Trust Appropriated Expenditures Included as Transfers	(533,604)	(533,604)		(500,084)	(500,084)	
Intrafund Eliminations		(444,043)			(411,922)	
Total Expenditures GAAP Basis		2,554,486			2,402,371	
Excess Revenues Over Expenditures	434,693	663,081	228,388	478,884	658,036	179,152
Other Financing Sources (Uses):						
Proceeds of Revenue Bonds/Contracts	1,602	1,602	0	—	—	0
Operating Transfers In	268,793	268,793	0	248,069	248,069	0
Operating Transfers Out	(312,737)	(312,737)	0	(265,429)	(265,429)	0
Operating Transfers From Component Units	526	526	0	—	—	0
Operating Transfers To Component Units	(537,279)	(537,279)	0	(503,641)	(503,641)	0
Total Other Financing Sources (Uses)	(579,095)	(579,095)	0	(521,001)	(521,001)	0
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(144,402)	83,986	228,388	(42,117)	137,035	179,152
Beginning Fund Balance	646,959	646,959	0	525,268	525,268	0
Residual Equity Transfers	(22,878)	(22,878)	0	(15,344)	(15,344)	0
Ending Fund Balance	\$ 479,679	\$ 708,067	\$ 228,388	\$ 467,807	\$ 646,959	\$ 179,152

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
GENERAL GOVERNMENT					
Legislature					
1	Senate	\$ 2,432	\$ —	\$ —	\$ 2,432
9	Conference of State Legislatures	92	—	—	92
8	Council of State Governments	191	—	—	191
4	House	3,065	—	—	3,065
2	Printing	777	—	291	1,068
3	Research and General Counsel	4,918	—	—	4,918
5	Tax Review Commission	55	—	—	55
10	Constitutional Revision Commission	60	—	—	60
6	Fiscal Analyst	2,634	—	—	2,634
7	Auditor General	2,203	—	—	2,203
	Total Legislature	\$ 16,427	\$ 0	\$ 291	\$ 16,718
State Courts					
37	Judicial Council	\$ 75,296	\$ 1	\$ 3,400	\$ 78,697
39	Grand Jury Prosecution	1	—	—	1
38	Contracts and Leases	17,046	—	187	17,233
41	Juror and Witness Fees	1,260	—	8	1,268
42	Guardian Ad Litem	3,021	—	18	3,039
	Total State Courts	\$ 96,624	\$ 1	\$ 3,613	\$ 100,238
Elected Officials					
18	State Treasurer	\$ 2,117	\$ —	\$ 149	\$ 2,266
11	GOV – Administrative Office	4,677	—	496	5,173
15	GOV – Planning and Budget	12,201	230	1,078	13,509
12	GOV – Elections	1,039	—	6	1,045
16	GOV – Criminal and Juvenile Justice	2,705	11,865	65	14,635
13	GOV – Women and Families	109	—	—	109
14	GOV – Emergency and Contingency Fund	102	—	—	102
20	Attorney General	11,830	971	10,643	23,444
24	AG – Antitrust Prosecutions	—	—	160	160
19	AG – Administration	3,158	—	1,752	4,910
21	AG – Child Welfare	1,330	—	—	1,330
25	AG – Prosecution Council	442	—	49	491
26	AG – Domestic Violence	76	—	—	76
22	AG – Financial Crime	235	—	—	235
23	AG – Children's Justice Centers	1,953	113	—	2,066
17	State Auditor	2,980	—	705	3,685
	Total Elected Officials	\$ 44,954	\$ 13,179	\$ 15,103	\$ 73,236

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 1,657	\$ —	\$ —	\$ 775	1
92	—	—	—	9
75	—	—	116	8
2,730	—	—	335	4
746	—	—	322	2
4,434	—	—	484	3
51	—	—	4	5
52	—	—	8	10
1,874	—	—	760	6
1,753	—	—	450	7
<u>\$ 13,464</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,254</u>	
\$ 76,807	\$ —	\$ 444	\$ 1,446	37
1	—	—	—	39
16,993	—	—	240	38
1,784	—	—	(516)	41
3,037	—	—	2	42
<u>\$ 98,622</u>	<u>\$ 0</u>	<u>\$ 444</u>	<u>\$ 1,172</u>	
\$ 1,791	\$ —	\$ —	\$ 475	18
3,757	—	—	1,416	11
5,720	—	—	7,789	15
936	—	—	109	12
14,298	—	—	337	16
100	—	—	9	13
—	—	—	102	14
23,937	—	—	(493)	20
160	—	—	—	24
4,064	—	—	846	19
1,330	—	—	—	21
490	—	—	1	25
69	—	—	7	26
234	—	—	1	22
1,999	—	—	67	23
3,605	—	—	80	17
<u>\$ 62,490</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,746</u>	

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
GENERAL GOVERNMENT (Continued)					
Government Operations					
54	Department of Administrative Services	\$ 820	\$ —	\$ 143	\$ 963
56	DAS – Administrative Rules	391	—	—	391
57	DAS – Facilities Construction and Management	3,091	—	—	3,091
58	DAS/DFCM – Facilities Management	309	—	133	442
59	DAS – Archives	1,969	—	25	1,994
60	DAS – Finance	9,598	—	1,226	10,824
62	DAS – Mandated Expenditures	2,804	—	—	2,804
63	DAS – Judicial Conduct Commission	264	—	—	264
64	DAS – Purchasing	1,366	—	76	1,442
76	Tax Commission – Administration	56,868	570	4,788	62,226
77	TAX – License Plates	2,673	—	2,094	4,767
78	TAX – Liquor Profits Distribution	2,636	—	—	2,636
97	Career Service Review Board	165	—	—	165
98	Human Resource Management	3,124	—	224	3,348
	Total Government Operations	86,078	570	8,709	95,357
	Total General Government	\$ 244,083	\$ 13,750	\$ 27,716	\$ 285,549
	Intrafund Eliminations				
	Total General Government GAAP Basis				

PUBLIC SAFETY

Department of Public Safety

43	DPS – Commissioner’s Office	\$ 3,162	\$ 6,458	\$ 2,063	\$ 11,683
44	DPS – Emergency Management	2,949	10,176	268	13,393
45	DPS – Safety Promotion	142	—	6	148
46	DPS – Officer Standards and Training	2,565	2,116	92	4,773
47	DPS – Investigative Services	12,348	711	3,140	16,199
48	DPS – Liquor Law Enforcement	1,008	—	—	1,008
49	DPS – Driver License	16,976	—	2	16,978
50	DPS – Highway Patrol	33,215	3,010	3,519	39,744
51	DPS – Information Management	1,748	—	493	2,241
52	DPS – State Fire Marshall	3,831	—	143	3,974
	Total Department of Public Safety	\$ 77,944	\$ 22,471	\$ 9,726	\$ 110,141

Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward	Line Item #
\$ 963	\$ —	\$ —	\$ —	54
378	—	—	13	56
3,090	—	—	1	57
442	—	—	—	58
1,931	—	—	63	59
8,797	—	—	2,027	60
1,763	—	—	1,041	62
245	—	—	19	63
1,359	—	—	83	64
57,862	—	153	4,211	76
2,096	—	—	2,671	77
2,279	—	—	357	78
151	—	—	14	97
3,233	—	—	115	98
<u>84,589</u>	<u>0</u>	<u>153</u>	<u>10,615</u>	
259,165	<u>\$ 0</u>	<u>\$ 597</u>	<u>\$ 25,787</u>	
(5,164)				
<u>\$ 254,001</u>				
\$ 10,855	\$ 5	\$ —	\$ 823	43
11,754	—	1,616	23	44
148	—	—	—	45
4,726	—	7	40	46
14,654	15	31	1,499	47
949	1	—	58	48
15,345	—	8	1,625	49
38,270	28	377	1,069	50
2,199	3	—	39	51
3,931	1	—	42	52
<u>\$ 102,831</u>	<u>\$ 53</u>	<u>\$ 2,039</u>	<u>\$ 5,218</u>	

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
Utah National Guard					
252	Utah National Guard Administration	\$ 3,973	\$ 14,268	\$ 97	\$ 18,338
	Total Public Safety	\$ 81,917	\$ 36,739	\$ 9,823	\$ 128,479
	Intrafund Eliminations				
	Total Public Safety GAAP Basis				
HUMAN SERVICES					
130	Department of Human Services	\$ 8,532	\$ 6,089	\$ 5,068	\$ 19,689
131	Mental Health	57,831	4,293	11,673	73,797
132	Substance Abuse	11,630	16,097	97	27,824
—	Drug Court Program	1,647	—	—	1,647
133	People with Disabilities	39,040	5,331	89,793	134,164
134	Recovery Services	12,307	25,492	4,182	41,981
135	Family Services	63,787	37,516	20,884	122,187
36	Youth Corrections	71,457	1,343	14,565	87,365
136	Aging and Adult Services	11,621	6,772	368	18,761
	Total Human Services	\$ 277,852	\$ 102,933	\$ 146,630	\$ 527,415
	Intrafund Eliminations				
	Total Human Services GAAP Basis				
WORKFORCE SERVICES					
—	Commodities	\$ —	\$ 55,741	\$ —	\$ 55,741
79	DWS Regional Operations	55,213	173,641	8,244	237,098
—	Nonappropriated	—	—	—	0
	Total Workforce Services	\$ 55,213	\$ 229,382	\$ 8,244	\$ 292,839
	Intrafund Eliminations				
	Total Workforce Services GAAP Basis				
CORRECTIONS					
27	Corrections Administration	\$ 8,523	\$ 138	\$ 601	\$ 9,262
28	DOC – Field Operations	36,742	—	2,424	39,166
29	DOC – Institutional Operations	107,573	190	1,074	108,837
30	DOC – Draper Medical Services	16,947	958	821	18,726
32	DOC – Forensics	190	—	—	190
33	DOC – Jail Reimbursements	7,261	—	—	7,261
35	DOC – Board of Pardons	2,758	—	1	2,759
	Total Corrections	\$ 179,994	\$ 1,286	\$ 4,921	\$ 186,201
	Intrafund Eliminations				
	Total Corrections GAAP Basis				

Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward	Line Item #
\$ 18,316	\$ —	\$ —	\$ 22	252
121,147	\$ 53	\$ 2,039	\$ 5,240	
(693)				
<u>\$ 120,454</u>				
\$ 19,555	\$ 34	\$ —	\$ 100	130
73,790	—	—	7	131
27,818	—	—	6	132
1,421	—	226	—	—
134,164	—	—	—	133
41,978	3	—	—	134
115,995	5,072	125	995	135
85,005	—	—	2,360	36
18,417	—	—	344	136
518,143	\$ 5,109	\$ 351	\$ 3,812	
(184,816)				
<u>\$ 333,327</u>				
\$ 55,741	\$ —	\$ —	\$ —	—
236,098	—	—	1,000	79
(46)	—	46	—	—
291,793	\$ 0	\$ 46	\$ 1,000	
(5,489)				
<u>\$ 286,304</u>				
\$ 9,080	\$ —	\$ —	\$ 182	27
38,206	—	—	960	28
107,851	—	—	986	29
18,715	—	—	11	30
190	—	—	—	32
7,261	—	—	—	33
2,587	—	—	172	35
183,890	\$ 0	\$ 0	\$ 2,311	
(495)				
<u>\$ 183,395</u>				

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
HEALTH and ENVIRONMENTAL QUALITY					
—	Commodities	\$ —	\$ 7,742	\$ —	\$ 7,742
118	Department of Health	7,760	2,913	1,839	12,512
120	Health System Improvements	6,179	2,856	3,711	12,746
121	Rural Physicians	1,168	21	—	1,189
122	Nursing Education Assistance	424	—	—	424
124	Epidemiology and Laboratory Services	5,268	6,681	2,368	14,317
125	Community and Family Health Services	15,204	48,943	17,956	82,103
126	Health Care Financing	11,665	39,191	18,475	69,331
127	Medical Assistance	169,989	600,960	102,699	873,648
—	Medicaid Accrual	901	1,430	—	2,331
123	Special Population Health	280	—	—	280
128	Children's Health Insurance Program	5,500	20,159	(1,417)	24,242
129	Medical Education Council	238	387	—	625
253	Environmental Quality	18,842	16,974	6,549	42,365
—	Water Security Enhancement	3,750	—	—	3,750
	Total Health and Environmental Quality	<u>\$ 247,168</u>	<u>\$ 748,257</u>	<u>\$ 152,180</u>	<u>\$ 1,147,605</u>
	Intrafund Eliminations				
	Total Health and Environmental Quality GAAP Basis .				

HIGHER EDUCATION

184	Board of Regents	\$ 3,313	\$ 84	\$ 3	\$ 3,400
185	REG – ATE Service Centers	1,223	—	—	1,223
186	REG – Federal Programs	8	285	3	296
187	REG – Student Aid	4,409	229	—	4,638
188	REG – WICHE	1,161	—	—	1,161
189	REG – Utah Teaching Career Scholarships	1,388	—	223	1,611
190	REG – Apprenticeship Training	311	—	—	311
191	REG – University Centers	263	—	—	263
—	REG – Dixie University Center	4,000	—	—	4,000
192	REG – UEN Technology Initiative	2,600	—	—	2,600
193	REG – Sensory Impaired	243	—	—	243
194	REG – Electronic Community College	536	—	—	536
195	REG – Academic Library Council	2,274	—	—	2,274
138	U of U – Education and General	167,397	—	52,300	219,697
139	U of U – Educationally Disadvantaged	722	—	—	722
140	U of U – College of Medicine	18,384	—	6,790	25,174
141	U of U – University Hospital	4,357	—	272	4,629
142	U of U – Regional Dental Education	549	—	103	652
143	U of U – Research and Training Grants	3,265	—	—	3,265
144	U of U – Public Service	1,250	—	—	1,250
145	U of U – Statewide TV Administration	3,178	—	—	3,178
146	U of U – Mineral Lease Research	2,252	—	—	2,252
147	U of U – Land Grant Interest	—	—	502	502

Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward	Line Item #
\$ 7,742	\$ —	\$ —	\$ —	—
12,151	5	31	325	118
11,234	4	—	1,508	120
232	—	—	957	121
213	—	—	211	122
13,891	12	—	414	124
80,816	2	—	1,285	125
67,723	8	—	1,600	126
872,041	—	—	1,607	127
2,331	—	—	—	—
155	—	—	125	123
23,627	—	615	—	128
458	—	—	167	129
40,227	—	316	1,822	253
3,750	—	—	—	—
<u>1,136,591</u>	<u>\$ 31</u>	<u>\$ 962</u>	<u>\$ 10,021</u>	
<u>(39,444)</u>				
<u>\$ 1,097,147</u>				
\$ 3,400	\$ —	\$ —	\$ —	184
1,223	—	—	—	185
296	—	—	—	186
4,638	—	—	—	187
1,161	—	—	—	188
1,611	—	—	—	189
311	—	—	—	190
263	—	—	—	191
4,000	—	—	—	—
2,600	—	—	—	192
243	—	—	—	193
536	—	—	—	194
2,274	—	—	—	195
219,697	—	—	—	138
722	—	—	—	139
25,174	—	—	—	140
4,629	—	—	—	141
652	—	—	—	142
3,265	—	—	—	143
1,250	—	—	—	144
3,178	—	—	—	145
2,252	—	—	—	146
502	—	—	—	147

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
HIGHER EDUCATION (Continued)					
148	U of U – Area Health Education Center	\$ 569	\$ —	\$ —	\$ 569
149	U of U – Poison Control Center	—	—	1,604	1,604
150	USU – Education and General	90,628	—	37,982	128,610
151	USU – Educationally Disadvantaged	236	—	—	236
152	USU – Water Research Laboratory	2,618	—	—	2,618
153	USU – Research and Training Grants	970	—	—	970
154	USU – Ecology Center	827	—	—	827
155	USU – Agriculture Experiment Station	11,124	2,699	—	13,823
156	USU – Cooperative Extension Service	10,217	2,310	—	12,527
157	USU – Uintah Basin CEC	2,402	—	1,293	3,695
158	USU – Southeastern Utah CEC	675	—	341	1,016
159	USU – Man and His Bread Museum	156	—	—	156
160	USU – Production Center	352	—	—	352
161	USU – Land Grant Interest	—	—	103	103
162	USU – Mineral Lease Research	1,582	—	—	1,582
199	USU Satellite Telecommunications	1,526	—	—	1,526
163	Weber – Education and General	53,445	—	24,372	77,817
164	Weber – Educationally Disadvantaged	323	—	—	323
165	SUU – Education and General	24,483	—	8,778	33,261
166	SUU – Educationally Disadvantaged	92	—	—	92
167	SUU – Shakespearean Festival	13	—	—	13
168	Snow College – Education and General	11,493	—	3,210	14,703
169	Snow College – Educationally Disadvantaged	34	—	—	34
170	Snow College South.	4,087	—	—	4,087
171	Snow College South – Secondary	270	—	—	270
172	Dixie – Education and General	15,465	—	5,118	20,583
173	Dixie – Educationally Disadvantaged	33	—	—	33
174	Dixie – Zion Park Amphitheatre	59	—	35	94
175	CEU – Education and General	9,379	—	1,957	11,336
176	CEU – Educationally Disadvantaged	123	—	—	123
177	CEU – Prehistoric Museum	179	—	—	179
178	CEU – San Juan Center	1,705	—	432	2,137
198	CEU Distance Education	258	—	—	258
179	UVSC – Education and General	36,419	—	26,811	63,230
180	UVSC – Educationally Disadvantaged	132	—	—	132
181	SLCC – Education and General	46,209	—	22,181	68,390
182	SLCC – Educationally Disadvantaged	192	—	—	192
183	SLCC – Skill Center	3,925	—	1,225	5,150
197	UEN Technology Initiative	615	—	—	615
196	UEN UTAHLINK	12,997	—	—	12,997
	Total Higher Education	\$ 568,895	\$ 5,607	\$ 195,638	\$ 770,140
	Appropriations Transferred to Colleges and Universities and Trust.				\$ (533,604)
	Intrafund Eliminations				
	Total Higher Education GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 569	\$ —	\$ —	\$ —	148
1,604	—	—	—	149
128,610	—	—	—	150
236	—	—	—	151
2,618	—	—	—	152
970	—	—	—	153
827	—	—	—	154
13,823	—	—	—	155
12,527	—	—	—	156
3,695	—	—	—	157
1,016	—	—	—	158
156	—	—	—	159
352	—	—	—	160
103	—	—	—	161
1,582	—	—	—	162
1,526	—	—	—	199
77,817	—	—	—	163
323	—	—	—	164
33,261	—	—	—	165
92	—	—	—	166
13	—	—	—	167
14,703	—	—	—	168
34	—	—	—	169
4,087	—	—	—	170
270	—	—	—	171
20,583	—	—	—	172
33	—	—	—	173
94	—	—	—	174
11,336	—	—	—	175
123	—	—	—	176
179	—	—	—	177
2,137	—	—	—	178
258	—	—	—	198
63,230	—	—	—	179
132	—	—	—	180
68,390	—	—	—	181
192	—	—	—	182
5,150	—	—	—	183
615	—	—	—	197
12,997	—	—	—	196
<u>770,140</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	
(533,604)				
<u>(200,418)</u>				
<u>\$ 36,118</u>				

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
NATURAL RESOURCES					
201	Department of Natural Resources	\$ 4,123	\$ —	\$ —	\$ 4,123
203	DNR – Rent, Utilities, and Fixtures	1,609	—	—	1,609
205	DNR – Sovereign Lands and Forestry	12,298	5,667	2,962	20,927
206	DNR – Oil, Gas, and Mining	3,144	2,955	188	6,287
207	DNR – Wildlife Resources	28,438	6,752	115	35,305
202	DNR – Species Protection	1,350	—	—	1,350
210	DNR/DWR – Contributed Research	—	32	312	344
211	DNR/DWR – Cooperative Studies	—	2,102	468	2,570
213	DNR – Parks and Recreation	14,401	645	7,979	23,025
214	DNR/DPR – Capital Development	15,961	206	2,310	18,477
215	DNR – Geological Survey	3,729	669	761	5,159
216	DNR – Water Resources	7,798	—	—	7,798
217	DNR/WRE – Water Education	41	—	27	68
212	DNR/DWR – Capital Development	2,910	3,317	1,640	7,867
221	DNR – Water Rights	5,824	11	101	5,936
	Total Natural Resources	\$ 101,626	\$ 22,356	\$ 16,863	\$ 140,845
	Intrafund Eliminations				
	Total Natural Resources GAAP Basis				
BUSINESS, LABOR, and AGRICULTURE					
222	Department of Agriculture	\$ 7,052	\$ 1,496	\$ 505	\$ 9,053
223	AGR – Marketing and Development	993	—	—	993
224	AGR – Building Maintenance	228	—	—	228
225	AGR – Brand Inspection	1,140	—	—	1,140
226	AGR – Predatory Animal Control	1,392	—	200	1,592
227	AGR – Auction Market Veterinarian	1	—	71	72
228	AGR – Insect Infestation	597	112	33	742
229	AGR – Grain Inspection	42	—	209	251
230	AGR – Sheep Promotion	50	—	—	50
231	AGR – Soil Conservation Commission	10	—	—	10
232	AGR – Environmental Quality	308	286	707	1,301
233	AGR – Resource Conservation	1,233	—	1	1,234
—	AGR – Taylor Grazing Act	—	149	—	149
81	Labor Commission	6,742	2,213	—	8,955
82	Department of Commerce	15,689	97	533	16,319
83	COM – Real Estate Education	166	—	—	166
84	COM/DPU – Professional Services	167	—	—	167
86	COM/CCS – Professional Services	545	—	—	545
87	Financial Institutions	2,908	—	—	2,908

Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward	Line Item #
\$ 3,783	\$ —	\$ 163	\$ 177	201
1,609	—	—	—	203
13,187	—	5,011	2,729	205
5,709	60	58	460	206
32,266	—	1,828	1,211	207
987	—	363	—	202
344	—	—	—	210
2,570	—	—	—	211
22,328	3	289	405	213
4,358	—	—	14,119	214
4,582	—	—	577	215
7,624	—	73	101	216
4	—	—	64	217
3,727	—	646	3,494	212
5,931	—	—	5	221
<u>109,009</u>	<u>\$ 63</u>	<u>\$ 8,431</u>	<u>\$ 23,342</u>	
<u>(4,150)</u>				
<u>\$ 104,859</u>				
\$ 7,916	\$ —	\$ —	\$ 1,137	222
792	—	25	176	223
228	—	—	—	224
1,057	—	54	29	225
1,163	—	214	215	226
71	—	—	1	227
534	—	—	208	228
250	—	—	1	229
29	—	21	—	230
10	—	—	—	231
1,261	—	—	40	232
1,231	—	—	3	233
149	—	—	—	—
8,893	25	12	25	81
14,692	—	684	943	82
136	—	—	30	83
2	—	—	165	84
354	—	—	191	86
2,752	—	156	—	87

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
BUSINESS, LABOR, and AGRICULTURE (Continued)					
88	Insurance Department	\$ 5,134	\$ —	\$ 1,012	\$ 6,146
90	Bail Bond Program	15	—	—	15
91	Title Insurance Program	36	—	59	95
92	Public Service Commission	1,492	—	3	1,495
93	PSC – Research and Analysis	—	—	32	32
94	PSC – Hearing Impaired	4,830	—	1,440	6,270
	Total Business, Labor, and Agriculture	\$ 50,770	\$ 4,353	\$ 4,805	\$ 59,928
	Intrafund Eliminations				
	Total Business, Labor, and Agriculture GAAP Basis . . .				
COMMUNITY AND ECONOMIC DEVELOPMENT					
99	Community and Economic Development	\$ 2,717	\$ —	\$ —	\$ 2,717
—	Special Initiatives	20	—	—	20
100	Incentive Funds Administration	2,262	—	109	2,371
—	Industrial Assistance Grants	653	—	—	653
101	Indian Affairs Division	241	—	28	269
102	Asian Affairs	138	—	—	138
103	Black Affairs	123	—	—	123
104	Hispanic Affairs	149	—	—	149
105	Pacific Islander Affairs	133	—	3	136
—	Project Fund	35	—	—	35
106	Business and Economic Development	13,187	403	17	13,607
107	Travel Development	5,346	—	255	5,601
108	Energy Services	1,824	1,029	—	2,853
109	State History	2,212	552	—	2,764
110	Historical Society	207	104	217	528
111	Fine Arts	3,452	547	127	4,126
112	State Library Division	3,627	1,426	1,516	6,569
113	Community Development	5,195	30,899	2,588	38,682
115	Community Development Capital	15,864	—	—	15,864
—	Housing Loan Administration	1,040	—	—	1,040
114	State Zoos	1,730	—	—	1,730
	Total Community and Economic Development	\$ 60,155	\$ 34,960	\$ 4,860	\$ 99,975
	Intrafund Eliminations				
	Total Community and Economic Development GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 5,402	\$ 28	\$ —	\$ 716	88
1	—	14	—	90
34	—	—	61	91
1,481	—	—	14	92
32	—	—	—	93
1,642	—	—	4,628	94
<u>50,112</u>	<u>\$ 53</u>	<u>\$ 1,180</u>	<u>\$ 8,583</u>	
(695)				
<u>\$ 49,417</u>				
\$ 2,667	\$ —	\$ —	\$ 50	99
15	—	—	5	—
960	—	44	1,367	100
653	—	—	—	—
263	—	—	6	101
106	—	—	32	102
76	—	—	47	103
119	—	—	30	104
131	—	—	5	105
35	—	—	—	—
10,127	—	—	3,480	106
5,584	—	—	17	107
1,834	—	1,019	—	108
2,582	—	—	182	109
293	—	—	235	110
3,721	—	—	405	111
6,542	—	—	27	112
37,602	37	510	533	113
8,980	—	6,884	—	115
1,040	—	—	—	—
1,730	—	—	—	114
<u>85,060</u>	<u>\$ 37</u>	<u>\$ 8,457</u>	<u>\$ 6,421</u>	
(2,679)				
<u>\$ 82,381</u>				

Continues

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL GENERAL FUND

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
LEAVE/POSTEMPLOYMENT BENEFITS					
—	Leave/Postemployment Benefits	\$ 3,919	\$ 3,164	\$ —	\$ 7,083
TOTAL GENERAL FUND					
—	Total Expenditures	\$ 1,871,592	\$ 1,202,787	\$ 571,680	\$ 3,646,059
	Appropriations Transferred to Colleges and Universities and Trust.				\$ (533,604)
	Intrafund Eliminations				
	Total Expenditures GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
<u>\$ 7,083</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	—
\$ 3,532,133	<u>\$ 5,346</u>	<u>\$ 22,063</u>	<u>\$ 86,517</u>	—
(533,604)				
<u>(444,043)</u>				
<u>\$ 2,554,486</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE GENERAL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 579,205	\$ 541,675	\$ 37,530	6.9%
Health Insurance	98,266	90,706	7,560	8.3
Retirement Benefits	89,940	88,893	1,047	1.2
FICA	43,309	40,680	2,629	6.5
Other Employee Benefits	17,219	17,479	(260)	(1.5)
Leave/Postemployment Benefits	7,083	12,828	(5,745)	(44.8)
In-State Travel	5,918	6,095	(177)	(2.9)
Out-of-State Travel	5,046	5,119	(73)	(1.4)
Data Processing	48,429	53,383	(4,954)	(9.3)
Communications	14,922	15,813	(891)	(5.6)
Professional and Technical Services	101,737	93,740	7,997	8.5
Rent – Land and Equipment	50,477	47,991	2,486	5.2
Maintenance – Buildings and Equipment	22,527	24,102	(1,575)	(6.5)
Utilities	8,141	5,968	2,173	36.4
Other Current Expenditures	114,963	109,643	5,320	4.9
Land	6,663	3,973	2,690	67.7
Data Processing Equipment	8,230	6,085	2,145	35.3
Other Capital Outlays	9,619	11,459	(1,840)	(16.1)
Allocations to Institutions of Higher Education	770,139	708,498	61,641	8.7
Public Assistance Payments	276,891	259,958	16,933	6.5
Welfare Medical Payments	892,058	813,653	78,405	9.6
Social Services Block	8,468	12,553	(4,085)	(32.5)
Women, Infants, and Children (WIC) Payments	31,732	30,579	1,153	3.8
Family Services – State Funded Programs	103,804	98,818	4,986	5.0
Cooperative Agreements	13,561	11,471	2,090	18.2
Payments to Other Governments	109,742	104,823	4,919	4.7
Other Service Payments	81,487	88,980	(7,493)	(8.4)
Pass Through Funds	12,557	9,412	3,145	33.4
Total	<u>\$ 3,532,133</u>	<u>\$ 3,314,377</u>	<u>\$ 217,756</u>	6.6%

STATE OF UTAH

SPECIAL REVENUE FUNDS

The Special Revenue Funds

are maintained to account for revenues that are designated to finance specific functions of government.

Uniform School Fund

This fund is maintained to account for revenues and expenditures that support public elementary and secondary schools and the State Office of Education. Revenues are derived from individual and corporate income taxes, and a tax on alcoholic beverages that funds school lunch programs. Appropriations from the General Fund cover any expenditures in excess of revenues, if necessary.

Transportation Fund

This fund is maintained to account for revenues and expenditures associated with highway construction and maintenance. Funding is provided from dedicated highway user taxes and fees, as well as from various federal highway administration funds. Federal funds accruing to the Transportation Fund are received on a reimbursement basis after costs have been incurred.

Centennial Highway Fund

This fund was created by the Legislature to account for revenues and expenditures associated with specific highway projects. Funding is provided from dedicated registration fees, sales and use taxes, appropriations, and contributions from local governments.

Sports Authority Fund

This fund was created to account for revenues and expenditures associated with the Utah Sports Authority. Revenues were derived from a 1/32 percent sales and use tax and were used to construct winter Olympic facilities and to promote amateur sports, the Olympic Winter Games, and the State's image as a winter sports center. The facilities were sold to the Salt Lake Organizing Committee in July of 1999.

State Capitol Fund

This fund was created to account for the funding and operations of the State Capitol Preservation Board. Funds are used in part to pay for repairs, maintenance, and restoration of capitol hill facilities and grounds. Funding is provided through private donations and legislative appropriations.

Consumer Education Fund

This fund accounts for revenues and expenditures associated with educating and training Utah residents in various consumer matters. Funding is provided through the assessment and collection of fines and penalties from various regulated professions.

Rural Development Fund

This fund was created for the purpose of awarding grants for projects that preserve or promote communication systems in rural areas, and to lessen the impact of the Utah Schools and Land Exchange Act of 1998. Funding consists primarily of revenue from bonus bids and mineral royalties on land exchange parcels.

Tobacco Endowment Fund

This fund accounts for fifty percent of all proceeds relating to the State's settlement agreement with major tobacco manufacturers. The principal of the fund cannot be appropriated except by a three-fourths vote of both houses of the Legislature and with the concurrence of the Governor. One-half of all interest and dividends on fund assets is deposited in the General Fund.

STATE OF UTAH

COMBINING BALANCE SHEET SPECIAL REVENUE FUNDS

June 30, 2001

(Expressed in Thousands)

	Uniform School Fund	Transportation Fund	Centennial Highway Fund	Sports Authority Fund	State Capitol Fund
Assets					
Cash and Cash Equivalents	\$ 36,029	\$ 125,456	\$ 107,282	\$ 1,137	\$ 325
Investments	6,227	6,453	7,404	—	14
Receivables:					
Accounts, Net	71,341	45,303	183	4	—
Notes	5,475	231	—	58,000	—
Designated Accrued Taxes, Net	312,436	34,851	579	—	—
Unbilled	—	3,407	—	—	—
Due From Other Funds	1,726	55,529	17,156	—	20
Advances to Other Funds	—	—	—	—	—
Inventories	672	7,154	320	—	—
Total Assets	\$ 433,906	\$ 278,384	\$ 132,924	\$ 59,141	\$ 359
Liabilities and Fund Balances					
Liabilities:					
Vouchers Payable	\$ 44,240	\$ 68,340	\$ 8,130	\$ 12	\$ 1
Accrued Liabilities	5,423	7,786	—	1	10
Due to Other Funds	503	30,075	55,335	1	342
Due to Other Taxing Units	—	24,867	—	—	—
Deferred Revenue	144,025	12,431	3,048	58,000	—
Advances From Other Funds	—	—	2,478	—	—
Leave/Postemployment Benefits	20,970	39,583	—	—	—
Total Liabilities	215,161	183,082	68,991	58,014	353
Fund Balances:					
Reserved:					
Reserved for Nonlapsing					
Appropriations	27,823	2,708	—	—	—
Reserved by Statute for					
Other Programs	19,000	27,730	63,933	—	—
Reserved for Advances to					
Other Funds	—	—	—	—	—
Total Reserved	46,823	30,438	63,933	0	0
Unreserved Designated:					
Designated for Future					
Appropriations	32,730	—	—	949	—
Designated Net Accrued Taxes	138,368	8,443	—	—	—
Total Unreserved Designated	171,098	8,443	0	949	0
Unreserved Undesignated	824	56,421	—	178	6
Total Fund Balances	218,745	95,302	63,933	1,127	6
Total Liabilities and Fund Balances	\$ 433,906	\$ 278,384	\$ 132,924	\$ 59,141	\$ 359

Consumer Education Fund	Rural Development Fund	Tobacco Endowment Fund	Total	
			June 30, 2001	June 30, 2000
\$ 374	\$ 151	\$ 41	\$ 270,795	\$ 393,249
55	1,448	27,508	49,109	50,315
—	—	—	116,831	85,940
—	—	—	63,706	65,273
—	—	—	347,866	201,718
—	—	—	3,407	3,285
—	—	9	74,440	38,753
—	—	—	0	69
—	—	—	8,146	9,019
<u>\$ 429</u>	<u>\$ 1,599</u>	<u>\$ 27,558</u>	<u>\$ 934,300</u>	<u>\$ 847,621</u>
\$ 76	\$ —	\$ —	\$ 120,799	\$ 121,099
1	—	—	13,221	13,478
5	34	37	86,332	44,879
—	—	—	24,867	28,020
—	—	—	217,504	70,018
—	—	—	2,478	2,478
—	—	—	60,553	57,831
<u>82</u>	<u>34</u>	<u>37</u>	<u>525,754</u>	<u>337,803</u>
—	—	—	30,531	32,780
—	—	—	110,663	157,054
—	—	—	0	69
<u>0</u>	<u>0</u>	<u>0</u>	<u>141,194</u>	<u>189,903</u>
—	—	—	33,679	15,817
—	—	—	146,811	150,756
<u>0</u>	<u>0</u>	<u>0</u>	<u>180,490</u>	<u>166,573</u>
<u>347</u>	<u>1,565</u>	<u>27,521</u>	<u>86,862</u>	<u>153,342</u>
<u>347</u>	<u>1,565</u>	<u>27,521</u>	<u>408,546</u>	<u>509,818</u>
<u>\$ 429</u>	<u>\$ 1,599</u>	<u>\$ 27,558</u>	<u>\$ 934,300</u>	<u>\$ 847,621</u>

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Uniform School Fund	Transportation Fund	Centennial Highway Fund	Sports Authority Fund	State Capitol Fund
Revenues:					
Unrestricted:					
Individual Income Tax	\$ 1,712,676	\$ —	\$ —	\$ —	\$ —
Corporate Tax	183,141	—	—	—	—
Motor and Special Fuel Tax	—	310,000	—	—	—
Sales Tax	—	—	5,369	—	—
Licenses, Permits, and Fees	—	57,256	17,360	—	—
Investment Income	8,956	4,616	2,912	243	14
Miscellaneous Taxes and Other	34	2,591	—	—	239
Total Unrestricted	<u>1,904,807</u>	<u>374,463</u>	<u>25,641</u>	<u>243</u>	<u>253</u>
Restricted:					
Restricted Sales Tax	—	18,886	—	—	—
Federal Contracts and Grants	246,925	126,595	120,342	24	—
Departmental Collections	12,242	23,219	—	—	—
Aeronautics	—	33,386	—	—	—
Investment Income	—	1,082	—	—	—
Restricted Taxes	(4,163)	818	—	—	—
Miscellaneous	21,357	7,905	240	—	—
Total Restricted	<u>276,361</u>	<u>211,891</u>	<u>120,582</u>	<u>24</u>	<u>0</u>
Total Revenues	<u>2,181,168</u>	<u>586,354</u>	<u>146,223</u>	<u>267</u>	<u>253</u>
Expenditures:					
General Government	—	—	—	—	2,504
Public Education	1,949,959	—	—	—	—
Community and Economic Development	—	—	—	720	—
Transportation	—	512,954	364,699	—	—
Business, Labor, and Agriculture	—	—	—	—	—
Leave/Postemployment Benefits	1,558	545	—	—	—
Total Expenditures	<u>1,951,517</u>	<u>513,499</u>	<u>364,699</u>	<u>720</u>	<u>2,504</u>
Excess of Revenues Over (Under) Expenditures	<u>229,651</u>	<u>72,855</u>	<u>(218,476)</u>	<u>(453)</u>	<u>(2,251)</u>
Other Financing Sources (Uses):					
Proceeds of Revenue					
Bonds/Contracts	—	1,688	—	—	—
Operating Transfers In	11,480	27,100	211,085	—	2,257
Operating Transfers Out	(310,339)	(102,835)	(47,732)	(3,923)	—
Operating Transfers to Component Units	—	—	—	—	—
Total Other Financing Sources (Uses)	<u>(298,859)</u>	<u>(74,047)</u>	<u>163,353</u>	<u>(3,923)</u>	<u>2,257</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(69,208)</u>	<u>(1,192)</u>	<u>(55,123)</u>	<u>(4,376)</u>	<u>6</u>
Beginning Fund Balances	287,953	96,494	119,056	5,503	—
Residual Equity Transfers	—	—	—	—	—
Ending Fund Balances	<u>\$ 218,745</u>	<u>\$ 95,302</u>	<u>\$ 63,933</u>	<u>\$ 1,127</u>	<u>\$ 6</u>

Consumer Education Fund	Rural Development Fund	Tobacco Endowment Fund	Total	
			June 30, 2001	June 30, 2000
\$ —	\$ —	\$ —	\$ 1,712,676	\$ 1,654,949
—	—	—	183,141	186,936
—	—	—	310,000	314,164
—	—	—	5,369	3,698
296	—	—	74,912	75,562
4	41	58	16,844	15,091
—	1,304	13,675	17,843	3,597
<u>300</u>	<u>1,345</u>	<u>13,733</u>	<u>2,320,785</u>	<u>2,253,997</u>
—	—	—	18,886	18,315
—	—	—	493,886	447,750
—	—	—	35,461	33,031
—	—	—	33,386	26,859
—	—	—	1,082	645
—	—	—	(3,345)	14,532
—	—	—	29,502	33,343
<u>0</u>	<u>0</u>	<u>0</u>	<u>608,858</u>	<u>574,475</u>
<u>300</u>	<u>1,345</u>	<u>13,733</u>	<u>2,929,643</u>	<u>2,828,472</u>
—	—	—	2,504	2,361
—	—	—	1,949,959	1,824,162
—	425	—	1,145	3,424
—	—	—	877,653	892,130
255	—	—	255	322
—	—	—	2,103	4,745
<u>255</u>	<u>425</u>	<u>0</u>	<u>2,833,619</u>	<u>2,727,144</u>
<u>45</u>	<u>920</u>	<u>13,733</u>	<u>96,024</u>	<u>101,328</u>
—	—	—	1,688	0
—	140	13,788	265,850	220,574
(5)	—	—	(464,834)	(346,411)
—	—	—	0	(13)
<u>(5)</u>	<u>140</u>	<u>13,788</u>	<u>(197,296)</u>	<u>(125,850)</u>
40	1,060	27,521	(101,272)	(24,522)
307	505	—	509,818	534,508
—	—	—	0	(168)
<u>\$ 347</u>	<u>\$ 1,565</u>	<u>\$ 27,521</u>	<u>\$ 408,546</u>	<u>\$ 509,818</u>

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STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL UNIFORM SCHOOL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Individual Income Tax	\$ 1,691,855	\$ 1,712,676	\$ 20,821	\$ 1,560,230	\$ 1,654,949	\$ 94,719
Corporate Tax	172,145	183,141	10,996	191,415	186,936	(4,479)
Investment Income	4,775	8,956	4,181	4,800	2,391	(2,409)
Miscellaneous Other	—	34	34	—	29	29
Total Unrestricted Revenues	1,868,775	1,904,807	36,032	1,756,445	1,844,305	87,860
Restricted:						
Federal Contracts and Grants	246,925	246,925	0	235,065	235,065	0
Departmental Collections	18,369	18,369	0	15,213	15,213	0
Restricted Taxes	(4,163)	(4,163)	0	16,592	16,592	0
Miscellaneous:						
School Lunch Tax	14,696	14,696	0	13,916	13,916	0
Driver Education Tax	4,045	4,045	0	4,014	4,014	0
Other	12,272	12,138	(134)	9,887	9,749	(138)
Total Restricted Revenues	292,144	292,010	(134)	294,687	294,549	(138)
Total Revenues	2,160,919	2,196,817	35,898	2,051,132	2,138,854	87,722
Intrafund Eliminations		(15,649)			(10,941)	
Total Revenues GAAP Basis		2,181,168			2,127,913	
Expenditures:						
Public Education	2,014,168	1,965,608	48,560	1,867,205	1,835,103	32,102
Leave/Postemployment Benefits	1,558	1,558	0	145	145	0
Total Expenditures	2,015,726	1,967,166	48,560	1,867,350	1,835,248	32,102
Intrafund Eliminations		(15,649)			(10,941)	
Total Expenditures GAAP Basis		1,951,517			1,824,307	
Excess Revenues Over						
Expenditures	145,193	229,651	84,458	183,782	303,606	119,824
Other Financing Sources (Uses):						
Operating Transfers In	11,480	11,480	0	9,952	9,952	0
Operating Transfers Out	(310,339)	(310,339)	0	(211,994)	(211,994)	0
Operating Transfers to Component Units	—	—	0	(13)	(13)	0
Total Other Financing						
Sources (Uses)	(298,859)	(298,859)	0	(202,055)	(202,055)	0
Excess Revenues and Other Sources Over						
(Under) Expenditures and Other Uses	(153,666)	(69,208)	84,458	(18,273)	101,551	119,824
Beginning Fund Balance	287,953	287,953	0	186,402	186,402	0
Ending Fund Balance	\$ 134,287	\$ 218,745	\$ 84,458	\$ 168,129	\$ 287,953	\$ 119,824

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL UNIFORM SCHOOL FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
PUBLIC EDUCATION					
242	Indirect Cost Pool	\$ —	\$ —	\$ 3,626	\$ 3,626
236	Office of Education	22,161	134,635	9,474	166,270
237	Rehabilitation Services	15,964	29,029	642	45,635
—	Minimum School Program	1,622,081	—	138	1,622,219
238	Child Nutrition	167	72,246	14,696	87,109
239	Board of Education – Fine Arts	2,687	—	—	2,687
240	Institutional Education	4,338	—	—	4,338
244	Bridgerland ATC	7,007	—	—	7,007
245	Davis ATC	6,758	—	—	6,758
246	Ogden/Weber ATC	7,463	—	—	7,463
248	Wasatch Front ATC	1,108	—	—	1,108
247	Uintah Basin ATC	3,528	—	—	3,528
251	Custom Fit Training	3,479	—	404	3,883
—	UTAHLINK and EDNET	79	—	128	207
—	Commodities	—	9,491	—	9,491
250	ATC Service Region Development	1,700	—	—	1,700
249	Applied Technology Service Regions	1,872	—	—	1,872
—	Combined ATCs	85	1,198	16,605	17,888
243	Schools for the Deaf and Blind	17,908	—	3,471	21,379
	Total Public Education	<u>\$ 1,718,385</u>	<u>\$ 246,599</u>	<u>\$ 49,184</u>	<u>\$ 2,014,168</u>
	Intrafund Eliminations				
	Total Public Education GAAP Basis				
LEAVE/POSTEMPLOYMENT BENEFITS					
—	Leave/Postemployment Benefits	<u>\$ 1,232</u>	<u>\$ 326</u>	<u>\$ —</u>	<u>\$ 1,558</u>
TOTAL PUBLIC EDUCATION					
	Total Expenditures	<u>\$ 1,719,617</u>	<u>\$ 246,925</u>	<u>\$ 49,184</u>	<u>\$ 2,015,726</u>
	Intrafund Eliminations				
	Total Expenditures GAAP Basis				

Actual Expenditures	Lapse to Unrestricted	Lapse to Restricted and Other	Nonlapse or (Deficit) Carry Forward	Line Item #
\$ 3,477	\$ 149	\$ —	\$ —	242
160,114	—	151	6,005	236
45,368	—	—	267	237
1,582,226	20,437	—	19,556	—
87,109	—	—	—	238
2,687	—	—	—	239
4,329	—	—	9	240
6,855	—	—	152	244
6,758	—	—	—	245
7,463	—	—	—	246
1,108	—	—	—	248
3,528	—	—	—	247
3,484	—	—	399	251
207	—	—	—	—
9,491	—	—	—	—
1,700	—	—	—	250
1,872	—	—	—	249
17,888	—	—	—	—
19,944	—	—	1,435	243
<u>1,965,608</u>	<u>\$ 20,586</u>	<u>\$ 151</u>	<u>\$ 27,823</u>	
<u>(15,649)</u>				
<u>\$ 1,949,959</u>				
<u>\$ 1,558</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	—
<u>\$ 1,967,166</u>	<u>\$ 20,586</u>	<u>\$ 151</u>	<u>\$ 27,823</u>	
<u>(15,649)</u>				
<u>\$ 1,951,517</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE UNIFORM SCHOOL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 35,807	\$ 33,915	\$ 1,892	5.6%
Health Insurance	5,496	5,134	362	7.1
Retirement Benefits	4,940	4,803	137	2.9
FICA	2,689	2,562	127	5.0
Other Employee Benefits	1,664	1,531	133	8.7
Leave/Postemployment Benefits	1,558	145	1,413	974.5
In-State Travel	780	762	18	2.4
Out-of-State Travel	279	299	(20)	(6.7)
Data Processing	1,175	902	273	30.3
Communications	614	650	(36)	(5.5)
Professional and Technical Services	7,783	5,316	2,467	46.4
Rent – Land and Equipment	2,254	2,232	22	1.0
Maintenance – Buildings and Equipment	805	743	62	8.3
Utilities	238	192	46	24.0
Other Current Expenditures	7,941	7,633	308	4.0
Capital Outlays	384	563	(179)	(31.8)
Payments to Other Governments	49,526	42,213	7,313	17.3
Distributions to Local School Districts	1,778,316	1,662,793	115,523	6.9
Other Service Payments	47,029	48,000	(971)	(2.0)
Applied Technology Centers	17,888	14,860	3,028	20.4
Total	<u>\$ 1,967,166</u>	<u>\$ 1,835,248</u>	<u>\$ 131,918</u>	7.2%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL TRANSPORTATION FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Motor Fuel Tax	\$ 243,200	\$ 229,410	\$ (13,790)	\$ 224,500	\$ 237,574	\$ 13,074
Special Fuel Tax	77,700	80,590	2,890	77,500	76,590	(910)
Licenses, Permits, and Fees:						
Motor Vehicle Registration Fees	27,000	25,935	(1,065)	24,000	25,848	1,848
Proportional Registration Fees	11,500	11,554	54	10,117	12,203	2,086
Temporary Permits	400	409	9	426	372	(54)
Special Transportation Permits	5,900	5,911	11	5,964	5,678	(286)
Highway Use Permits	7,700	7,473	(227)	7,668	8,123	455
Motor Vehicle Control Fees	4,300	4,093	(207)	4,366	4,173	(193)
Miscellaneous	2,200	1,881	(319)	1,927	1,605	(322)
Investment Income	2,000	4,616	2,616	532	3,911	3,379
Miscellaneous Other	—	2,591	2,591	—	3,040	3,040
Total Unrestricted Revenues	381,900	374,463	(7,437)	357,000	379,117	22,117
Restricted:						
Restricted Sales Tax	18,886	18,886	0	18,315	18,315	0
Federal Contracts and Grants	126,595	126,595	0	167,564	167,564	0
Departmental Collections	43,323	43,480	157	39,487	39,658	171
Aeronautics Fund	33,386	33,386	0	26,859	26,859	0
Investment Income	1,082	1,082	0	645	645	0
Restricted Taxes	818	818	0	(2,060)	(2,060)	0
Miscellaneous	13,964	13,964	0	12,540	12,540	0
Total Restricted Revenues	238,054	238,211	157	263,350	263,521	171
Total Revenues	619,954	612,674	(7,280)	620,350	642,638	22,288
Intrafund Eliminations		(26,320)			(18,855)	
Total Revenues GAAP Basis		586,354			623,783	
Expenditures:						
Transportation	557,770	539,274	18,496	557,334	527,709	29,625
Leave/Postemployment Benefits	658	545	113	4,600	4,600	0
Total Expenditures	558,428	539,819	18,609	561,934	532,309	29,625
Intrafund Eliminations		(26,320)			(18,855)	
Total Expenditures GAAP Basis		513,499			513,454	
Excess Revenues Over						
Expenditures	61,526	72,855	11,329	58,416	110,329	51,913
Other Financing Sources (Uses):						
Proceeds of Revenue Bonds/Contracts	1,688	1,688	0	—	—	0
Operating Transfers In	27,100	27,100	0	22,155	22,155	0
Operating Transfers Out	(102,835)	(102,835)	0	(90,798)	(90,798)	0
Total Other Financing Sources (Uses)	(74,047)	(74,047)	0	(68,643)	(68,643)	0
Excess Revenues and Other Sources Over						
(Under) Expenditures and Other Uses	(12,521)	(1,192)	11,329	(10,227)	41,686	51,913
Beginning Fund Balance	96,494	96,494	0	54,976	54,976	0
Residual Equity Transfers	—	—	0	(168)	(168)	0
Ending Fund Balance	\$ 83,973	\$ 95,302	\$ 11,329	\$ 44,581	\$ 96,494	\$ 51,913

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL TRANSPORTATION FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
DEPARTMENT OF TRANSPORTATION					
256	Support Services	\$ 23,476	\$ 870	\$ —	\$ 24,346
257	Engineering Services	13,026	10,242	929	24,197
258	Maintenance Management	71,935	126	1,308	73,369
259	Construction Management	96,631	111,696	8,495	216,822
260	District Management	17,021	3,003	1,092	21,116
261	Equipment Management	3,996	—	18,791	22,787
262	Aeronautics	12,291	—	26,151	38,442
263	B and C Roads	106,222	—	—	106,222
264	Sidewalk Construction	1,779	—	—	1,779
265	Mineral Lease Allocations	22,305	—	—	22,305
—	Corridor Preservation	6,941	—	—	6,941
—	Nonappropriated	—	—	(556)	(556)
	Total Transportation	<u>\$ 375,623</u>	<u>\$ 125,937</u>	<u>\$ 56,210</u>	<u>\$ 557,770</u>
	Intrafund Eliminations				
	Total Transportation GAAP Basis				
LEAVE/POSTEMPLOYMENT BENEFITS					
—	Leave/Postemployment Benefits	<u>\$ —</u>	<u>\$ 658</u>	<u>\$ —</u>	<u>\$ 658</u>
TOTAL DEPARTMENT OF TRANSPORTATION					
	Total Expenditures	<u>\$ 375,623</u>	<u>\$ 126,595</u>	<u>\$ 56,210</u>	<u>\$ 558,428</u>
	Intrafund Eliminations				
	Total Expenditures GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 23,825	\$ —	\$ —	\$ 521	256
23,749	333	—	115	257
73,087	—	—	282	258
203,463	13,359	—	—	259
20,835	281	—	—	260
23,412	—	—	(625)	261
35,142	—	3,000	300	262
106,222	—	—	—	263
289	—	—	1,490	264
22,305	—	—	—	265
6,941	—	—	—	—
4	(560)	—	—	—
<u>539,274</u>	<u>\$ 13,413</u>	<u>\$ 3,000</u>	<u>\$ 2,083</u>	
<u>(26,320)</u>				
<u>\$ 512,954</u>				
<u>\$ 545</u>	<u>\$ —</u>	<u>\$ 113</u>	<u>\$ —</u>	—
<u>\$ 539,819</u>	<u>\$ 13,413</u>	<u>\$ 3,113</u>	<u>\$ 2,083</u>	
<u>(26,320)</u>				
<u>\$ 513,499</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE TRANSPORTATION FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 71,013	\$ 69,281	\$ 1,732	2.5%
Health Insurance	11,423	10,861	562	5.2
Retirement Benefits	10,607	10,631	(24)	(.2)
FICA	5,406	5,235	171	3.3
Other Employee Benefits	4,891	4,440	451	10.2
Leave/Postemployment Benefits	545	4,600	(4,055)	(88.2)
In-State Travel	607	611	(4)	(.7)
Out-of-State Travel	352	299	53	17.7
Data Processing	2,624	2,617	7	0.3
Communications	1,496	1,667	(171)	(10.3)
Professional and Technical Services	46,239	23,666	22,573	95.4
Materials and Supplies	20,974	22,334	(1,360)	(6.1)
Rent – Land and Equipment	25,045	23,448	1,597	6.8
Maintenance – Buildings and Equipment	12,082	10,294	1,788	17.4
Utilities	3,043	2,618	425	16.2
Other Current Expenditures	15,211	9,317	5,894	63.3
Highway Construction	128,059	167,340	(39,281)	(23.5)
Other Capital Outlays	15,195	12,858	2,337	18.2
Payments to Other Governments	113,689	114,271	(582)	(.5)
Pass Through Funds	51,318	35,921	15,397	42.9
Total	<u>\$ 539,819</u>	<u>\$ 532,309</u>	<u>\$ 7,510</u>	1.4%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL CENTENNIAL HIGHWAY FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Sales Tax	\$ 4,770	\$ 5,369	\$ 599	\$ 2,250	\$ 2,805	\$ 555
Licenses, Permits, and Fees:						
Motor Vehicle Registration Fees	18,032	17,360	(672)	17,506	17,152	(354)
Investment Income	1,446	2,912	1,466	2,138	8,435	6,297
Total Unrestricted Revenues	24,248	25,641	1,393	21,894	28,392	6,498
Restricted:						
Federal Contracts and Grants	120,342	120,342	0	45,121	45,121	0
Miscellaneous	240	240	0	80	80	0
Total Restricted Revenues	120,582	120,582	0	45,201	45,201	0
Total Revenues	144,830	146,223	1,393	67,095	73,593	6,498
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		146,223			73,593	
Expenditures:						
Transportation	364,699	364,699	0	383,276	383,276	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		364,699			383,276	
Excess Revenues Over (Under)						
Expenditures	(219,869)	(218,476)	1,393	(316,181)	(309,683)	6,498
Other Financing Sources (Uses):						
Operating Transfers In	211,085	211,085	0	186,283	186,283	0
Operating Transfers Out	(47,732)	(47,732)	0	(42,406)	(42,406)	0
Total Other Financing Sources (Uses)	163,353	163,353	0	143,877	143,877	0
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	(56,516)	(55,123)	1,393	(172,304)	(165,806)	6,498
Beginning Fund Balance	119,056	119,056	0	284,862	284,862	0
Ending Fund Balance	\$ 62,540	\$ 63,933	\$ 1,393	\$ 112,558	\$ 119,056	\$ 6,498

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL
BUDGET AND ACTUAL
CENTENNIAL HIGHWAY FUND

For the Fiscal Year Ended June 30, 2001 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
Centennial Highway Fund					
266	State Highway Construction	\$ 241,205	\$ 120,342	\$ 3,152	\$ 364,699
	Intrafund Eliminations				
	Total Centennial Highway Fund GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 364,699	\$ —	\$ —	\$ —	266
—				
<u>\$ 364,699</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE
CENTENNIAL HIGHWAY FUND

For the Fiscal Years Ended June 30, 2001 and 2000 (Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Highway Construction	\$ 364,699	\$ 383,276	\$ (18,577)	(4.8)%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL SPORTS AUTHORITY FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Sales Tax	\$ —	\$ —	\$ 0	\$ 2,307	\$ 893	\$ (1,414)
Investment Income	83	243	160	118	341	223
Total Unrestricted Revenues	83	243	160	2,425	1,234	(1,191)
Restricted:						
Federal Contracts and Grants	24	24	0	—	—	0
Departmental Collections	—	—	0	1,000	1,000	0
Total Restricted Revenues	24	24	0	1,000	1,000	0
Total Revenues	107	267	160	3,425	2,234	(1,191)
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		267			2,234	
Expenditures:						
Community and Economic Development	948	720	228	3,790	3,414	376
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		720			3,414	
Excess Revenues Over (Under) Expenditures	(841)	(453)	388	(365)	(1,180)	(815)
Other Financing (Uses):						
Operating Transfers Out	(3,923)	(3,923)	0	(1,406)	(1,112)	294
Excess Revenues Over (Under) Expenditures and Other Uses	(4,764)	(4,376)	388	(1,771)	(2,292)	(521)
Beginning Fund Balance	5,503	5,503	0	7,795	7,795	0
Ending Fund Balance	\$ 739	\$ 1,127	\$ 388	\$ 6,024	\$ 5,503	\$ (521)

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL SPORTS AUTHORITY FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
SPORTS AUTHORITY					
—	Utah Sports Authority	\$ 924	\$ 24	\$ —	\$ 948
	Intrafund Eliminations				
	Total Sports Authority GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 720	<u>\$ 228</u>	<u>\$ —</u>	<u>\$ —</u>	—
<u>—</u>				
<u>\$ 720</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE

SPORTS AUTHORITY FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 13	\$ 9	\$ 4	44.4%
FICA	1	1	0	0.0
Professional and Technical Services	5	7	(2)	(28.6)
Other Current Expenditures	<u>701</u>	<u>3,397</u>	<u>(2,696)</u>	<u>(79.4)</u>
Total	<u>\$ 720</u>	<u>\$ 3,414</u>	<u>\$ (2,694)</u>	<u>(78.9)%</u>

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL STATE CAPITOL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Rents	\$ 239	\$ 239	\$ 0	\$ 263	\$ 263	\$ 0
Interest on Investments	14	14	0	—	—	0
Total Unrestricted Revenues	253	253	0	263	263	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		253			263	
Expenditures:						
General Government	2,510	2,504	6	2,361	2,361	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		2,504			2,361	
Excess Revenues Over (Under)						
Expenditures	(2,257)	(2,251)	6	(2,098)	(2,098)	0
Other Financing Sources:						
Operating Transfers In	2,257	2,257	0	2,098	2,098	0
Excess Revenues and Other Sources						
Over Expenditures	0	6	6	0	0	0
Beginning Fund Balance	—	—	0	—	—	0
Ending Fund Balance	\$ 0	\$ 6	\$ 6	\$ 0	\$ 0	\$ 0

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL BUDGET AND ACTUAL STATE CAPITOL FUND

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
STATE CAPITOL PRESERVATION					
—	Capitol Maintenance and Preservation	\$ 2,510	\$ —	\$ —	\$ 2,510
	Intrafund Eliminations				
	Total State Capitol Preservation GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 2,504	<u>\$ 6</u>	<u>\$ —</u>	<u>\$ —</u>	—
<u>—</u>				
<u>\$ 2,504</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE STATE CAPITOL FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 109	\$ 97	\$ 12	12.4%
Health Insurance	15	11	4	36.4
Retirement Benefits	16	15	1	6.7
FICA	8	7	1	14.3
Other Employee Benefits	4	3	1	33.3
Out-of-State Travel	—	7	(7)	(100.0)
Data Processing	—	1	(1)	(100.0)
Communications	4	3	1	33.3
Maintenance – Buildings and Equipment	2,327	2,198	129	5.9
Other Current Expenditures	21	19	2	10.5
Total	<u>\$ 2,504</u>	<u>\$ 2,361</u>	<u>\$ 143</u>	6.1%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL CONSUMER EDUCATION FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Fees and Fines	\$ 296	\$ 296	\$ 0	\$ 408	\$ 408	\$ 0
Investment Income	4	4	0	5	5	0
Total Unrestricted Revenues	300	300	0	413	413	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		300			413	
Expenditures:						
Business, Labor, and Agriculture	295	255	40	322	322	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		255			322	
Excess Revenues Over						
Expenditures	5	45	40	91	91	0
Other Financing (Uses):						
Operating Transfers Out	(5)	(5)	0	(101)	(101)	0
Excess Revenues Over (Under)						
Expenditures and Other Uses	0	40	40	(10)	(10)	0
Beginning Fund Balance	307	307	0	317	317	0
Ending Fund Balance	\$ 307	\$ 347	\$ 40	\$ 307	\$ 307	\$ 0

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL
BUDGET AND ACTUAL
CONSUMER EDUCATION FUND

For the Fiscal Year Ended June 30, 2001 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
CONSUMER EDUCATION					
—	Education and Training	\$ 295	\$ —	\$ —	\$ 295
	Intrafund Eliminations				
	Total Consumer Education GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 255	<u>\$ 40</u>	<u>\$ —</u>	<u>\$ —</u>	—
<u>—</u>				
<u>\$ 255</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE CONSUMER EDUCATION FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Personal Services	\$ 25	\$ 64	\$ (39)	(60.9)%
Health Insurance	3	7	(4)	(57.1)
Retirement Benefits	2	1	1	100.0
FICA	2	5	(3)	(60.0)
Other Employee Benefits	1	2	(1)	(50.0)
In-State Travel	3	1	2	200.0
Out-of-State Travel	30	38	(8)	(21.1)
Data Processing	1	4	(3)	(75.0)
Professional and Technical Services	81	70	11	15.7
Other Current Expenditures	107	130	(23)	(17.7)
Total	<u>\$ 255</u>	<u>\$ 322</u>	<u>\$ (67)</u>	(20.8)%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL RURAL DEVELOPMENT FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Rents and Royalties	\$ 1,304	\$ 1,304	\$ 0	\$ 265	\$ 265	\$ 0
Interest on Investments	41	41	0	8	8	0
Total Unrestricted Revenues	1,345	1,345	0	273	273	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		1,345			273	
Expenditures:						
Community and Economic Development	1,485	425	1,060	359	10	349
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		425			10	
Excess Revenues Over (Under)						
Expenditures	(140)	920	1,060	(86)	263	349
Other Financing Sources:						
Operating Transfers In	140	140	0	86	86	0
Excess Revenues and Other Sources						
Over Expenditures	0	1,060	1,060	0	349	349
Beginning Fund Balance	505	505	0	156	156	0
Ending Fund Balance	\$ 505	\$ 1,565	\$ 1,060	\$ 156	\$ 505	\$ 349

STATE OF UTAH

SCHEDULE OF EXPENDITURES — DETAIL
BUDGET AND ACTUAL
RURAL DEVELOPMENT FUND

For the Fiscal Year Ended June 30, 2001 (Expressed in Thousands)

Line Item #	Appropriation Line Item Description	Source of Funding			Budget as Appropriated and Amended
		State Funds	Federal Funds	Restricted and Other Funds	
RURAL DEVELOPMENT					
—	Administration	\$ 1,485	\$ —	\$ —	\$ 1,485
	Intrafund Eliminations				
	Total Rural Development GAAP Basis				

<u>Actual Expenditures</u>	<u>Lapse to Unrestricted</u>	<u>Lapse to Restricted and Other</u>	<u>Nonlapse or (Deficit) Carry Forward</u>	<u>Line Item #</u>
\$ 425	<u>\$ 1,060</u>	<u>\$ —</u>	<u>\$ —</u>	—
<u>—</u>				
<u>\$ 425</u>				

STATE OF UTAH

SCHEDULE OF EXPENDITURES BY TYPE RURAL DEVELOPMENT FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001	June 30, 2000	Dollar Change	Percent Change
Other Current Expenditures	\$ 27	\$ 10	17	170.0
Cooperative Agreements	253	—	253	—
Payments to Other Governments	145	—	145	—
Total	<u>\$ 425</u>	<u>\$ 10</u>	<u>\$ 415</u>	4,150.0%

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL TOBACCO ENDOWMENT FUND

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Unrestricted:						
Tobacco Settlement Receipts	\$ 13,675	\$ 13,675	\$ 0	\$ —	\$ —	\$ 0
Interest on Investments	58	58	0	—	—	0
Total Unrestricted Revenues	13,733	13,733	0	0	0	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		13,733			0	
Expenditures:						
General Government	—	—	0	—	—	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		0			0	
Excess Revenues Over Expenditures	13,733	13,733	0	0	0	0
Other Financing Sources:						
Operating Transfers In	13,788	13,788	0	—	—	0
Excess Revenues and Other Sources Over Expenditures	27,521	27,521	0	0	0	0
Beginning Fund Balance	—	—	0	—	—	0
Ending Fund Balance	\$ 27,521	\$ 27,521	\$ 0	\$ 0	\$ 0	\$ 0

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STATE OF UTAH

CAPITAL PROJECTS FUNDS

The Capital Projects Funds

are used to account for the financial resources used for the acquisition or construction of major capital facilities.

General Government

This fund accounts for the acquisition or construction of major capital facilities for use by the State and its component units. The fund receives financial resources from the proceeds of general obligation bonds, legislative appropriations, and intergovernmental revenues.

State Building Ownership Authority (Blended Component Unit)

This fund accounts for the acquisition or construction of major capital facilities for use by various state agencies. The fund receives financial resources from the proceeds of lease revenue bonds issued by the Authority and the interest earned on the proceeds of the bonds.

STATE OF UTAH

COMBINING BALANCE SHEET CAPITAL PROJECTS FUNDS

June 30, 2001

(Expressed in Thousands)

	General Government	State Building Ownership Authority	Total	
			June 30, 2001	June 30, 2000
Assets				
Cash and Cash Equivalents	\$ 116,289	\$ —	\$ 116,289	\$ 51,794
Investments	13,268	5,820	19,088	32,342
Receivables:				
Accounts	17	—	17	392
Due From State Building Ownership Authority	3,323	(3,323)	0	0
Due From Other Funds	867	—	867	2,139
Due From Component Units	13,324	—	13,324	4,475
Total Assets	<u>\$ 147,088</u>	<u>\$ 2,497</u>	<u>\$ 149,585</u>	<u>\$ 91,142</u>
Liabilities and Fund Balances				
Liabilities:				
Contracts Payable	\$ 18,661	\$ 220	\$ 18,881	\$ 10,427
Due to Other Funds	2,226	55	2,281	2,715
Deferred Revenue	83	—	83	170
Total Liabilities	<u>20,970</u>	<u>275</u>	<u>21,245</u>	<u>13,312</u>
Fund Balances:				
Reserved:				
Reserved for Encumbrances	107,079	102	107,181	90,774
Reserved Revenue Bond Proceeds	—	2,120	2,120	5,663
Reserved for Planning	124	—	124	252
Total Reserved	<u>107,203</u>	<u>2,222</u>	<u>109,425</u>	<u>96,689</u>
Unreserved Designated for Capital Projects	18,915	—	18,915	0
Unreserved Undesignated	—	—	0	(18,859)
Total Fund Balances	<u>126,118</u>	<u>2,222</u>	<u>128,340</u>	<u>77,830</u>
Total Liabilities and Fund Balances	<u>\$ 147,088</u>	<u>\$ 2,497</u>	<u>\$ 149,585</u>	<u>\$ 91,142</u>

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	General Government	State Building Ownership Authority	Total	
			June 30, 2001	June 30, 2000
Revenues:				
Restricted:				
Intergovernmental Revenues	\$ 35,225	\$ —	\$ 35,225	\$ 80,431
Investment Income	828	579	1,407	3,013
Miscellaneous	9,143	—	9,143	644
Total Revenues	<u>45,196</u>	<u>579</u>	<u>45,775</u>	<u>84,088</u>
Expenditures:				
Capital Outlay	<u>146,845</u>	<u>6,281</u>	<u>153,126</u>	<u>191,819</u>
Excess Revenues (Under) Expenditures	<u>(101,649)</u>	<u>(5,702)</u>	<u>(107,351)</u>	<u>(107,731)</u>
Other Financing Sources (Uses):				
Proceeds of Revenue Bonds/Contracts	—	—	0	6,333
Proceeds of General Obligation Bonds	15,153	—	15,153	38,169
Operating Transfers In	145,991	—	145,991	60,284
Operating Transfers Out	<u>(787)</u>	<u>(2,496)</u>	<u>(3,283)</u>	<u>(8,801)</u>
Total Other Financing Sources (Uses)	<u>160,357</u>	<u>(2,496)</u>	<u>157,861</u>	<u>95,985</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	58,708	(8,198)	50,510	(11,746)
Beginning Fund Balances	<u>67,410</u>	<u>10,420</u>	<u>77,830</u>	<u>89,576</u>
Ending Fund Balances	<u>\$ 126,118</u>	<u>\$ 2,222</u>	<u>\$ 128,340</u>	<u>\$ 77,830</u>

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STATE OF UTAH

DEBT SERVICE FUNDS

The Debt Service Funds

are used to account for the accumulation of resources and the payment of principal and interest on general obligation debt and certain revenue bonds.

General Government

This fund accounts for the payment of principal and interest on the State's general obligation bonds and certain water bonds. The fund receives most of its financial resources from appropriations made by the Legislature.

State Building Ownership Authority (Blended Component Unit)

This fund accounts for the payment of principal and interest on lease revenue bonds issued by the Authority. The major source of revenue for the fund is from rent payments made by various state agencies occupying the facilities owned by the Authority.

STATE OF UTAH

COMBINING BALANCE SHEET DEBT SERVICE FUNDS

June 30, 2001

(Expressed in Thousands)

	General Government	State Building Ownership Authority	Total	
			June 30, 2001	June 30, 2000
Assets				
Cash and Cash Equivalents	\$ 28,071	\$ 1,250	\$ 29,321	\$ 27,198
Investments	438	4,515	4,953	6,825
Receivables:				
Accrued Interest	—	45	45	59
Due From Other Funds	—	13	13	124
Due From Component Units	—	16,615	16,615	17,556
Total Assets	<u>\$ 28,509</u>	<u>\$ 22,438</u>	<u>\$ 50,947</u>	<u>\$ 51,762</u>
Liabilities and Fund Balances				
Liabilities:				
Vouchers Payable	\$ 96	\$ —	\$ 96	\$ 53
Accrued Liabilities	21,764	827	22,591	25,240
Due to Other Funds	—	170	170	156
Deferred Revenue	—	16,615	16,615	17,556
Total Liabilities	<u>21,860</u>	<u>17,612</u>	<u>39,472</u>	<u>43,005</u>
Fund Balances:				
Reserved for Debt Service	255	4,826	5,081	5,051
Unreserved Designated for Debt Service	6,394	—	6,394	3,706
Total Fund Balances	<u>6,649</u>	<u>4,826</u>	<u>11,475</u>	<u>8,757</u>
Total Liabilities and Fund Balances	<u>\$ 28,509</u>	<u>\$ 22,438</u>	<u>\$ 50,947</u>	<u>\$ 51,762</u>

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DEBT SERVICE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	General Government	State Building Ownership Authority	Total	
			June 30, 2001	June 30, 2000
Revenues:				
Restricted:				
Investment Income	\$ 55	\$ 212	\$ 267	\$ 1,455
Rent	—	19,777	19,777	19,800
Total Revenues	55	19,989	20,044	21,255
Expenditures:				
Principal Retirement	82,190	10,768	92,958	88,269
Interest and Other Charges	54,091	11,837	65,928	70,005
Total Expenditures	136,281	22,605	158,886	158,274
Excess Revenues (Under) Expenditures	(136,226)	(2,616)	(138,842)	(137,019)
Other Financing Sources:				
Proceeds of Revenue Bonds	—	—	0	664
Operating Transfers In	138,841	2,719	141,560	136,988
Total Other Financing Sources	138,841	2,719	141,560	137,652
Excess Revenues and Other Sources Over Expenditures	2,615	103	2,718	633
Beginning Fund Balances	4,034	4,723	8,757	8,124
Ending Fund Balances	\$ 6,649	\$ 4,826	\$ 11,475	\$ 8,757

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL DEBT SERVICE FUNDS — GENERAL GOVERNMENT

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Restricted:						
Investment Income	\$ 55	\$ 55	\$ 0	\$ 1,092	\$ 1,092	\$ 0
Total Restricted Revenues	55	55	0	1,092	1,092	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		55			1,092	
Expenditures:						
Principal Retirement	82,190	82,190	0	78,020	78,020	0
Interest and Other Charges	54,091	54,091	0	57,755	57,755	0
Total Expenditures	136,281	136,281	0	135,775	135,775	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		136,281			135,775	
Excess Revenues (Under)						
Expenditures	(136,226)	(136,226)	0	(134,683)	(134,683)	0
Other Financing Sources:						
Operating Transfers In	138,841	138,841	0	135,679	135,679	0
Total Other Financing Sources	138,841	138,841	0	135,679	135,679	0
Excess Revenues and Other Sources						
Over Expenditures	2,615	2,615	0	996	996	0
Beginning Fund Balance	4,034	4,034	0	3,038	3,038	0
Ending Fund Balance	\$ 6,649	\$ 6,649	\$ 0	\$ 4,034	\$ 4,034	\$ 0

STATE OF UTAH

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE — BUDGET AND ACTUAL DEBT SERVICE FUNDS — STATE BUILDING OWNERSHIP AUTHORITY

For the Fiscal Years Ended June 30, 2001 and 2000

(Expressed in Thousands)

	June 30, 2001			June 30, 2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Restricted:						
Investment Income	\$ 212	\$ 212	\$ 0	\$ 363	\$ 363	\$ 0
Rent	19,777	19,777	0	19,800	19,800	0
Total Restricted Revenues	19,989	19,989	0	20,163	20,163	0
Intrafund Eliminations		—			—	
Total Revenues GAAP Basis		19,989			20,163	
Expenditures:						
Principal Retirement	10,768	10,768	0	10,249	10,249	0
Interest and Other Charges	11,837	11,837	0	12,250	12,250	0
Total Expenditures	22,605	22,605	0	22,499	22,499	0
Intrafund Eliminations		—			—	
Total Expenditures GAAP Basis		22,605			22,499	
Excess Revenues (Under)						
Expenditures	(2,616)	(2,616)	0	(2,336)	(2,336)	0
Other Financing Sources:						
Proceeds of Revenue Bonds	—	—	0	664	664	0
Operating Transfers In	2,719	2,719	0	1,309	1,309	0
Total Other Financing Sources	2,719	2,719	0	1,973	1,973	0
Excess Revenues and Other Sources						
Over (Under) Expenditures	103	103	0	(363)	(363)	0
Beginning Fund Balance	4,723	4,723	0	5,086	5,086	0
Ending Fund Balance	\$ 4,826	\$ 4,826	\$ 0	\$ 4,723	\$ 4,723	\$ 0

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STATE OF UTAH

ENTERPRISE FUNDS

The Enterprise Funds

are used to account for the operations of state agencies that provide goods and services to the general public and that finance their operations through user charges.

Alcoholic Beverage Control

The Alcoholic Beverage Control Commission was established by the Legislature to conduct, license, and regulate the sale of alcoholic beverages. Funding is provided through the sale of products. The net profit from the Fund is transferred to the State's General Fund and is used for general government purposes.

Student Assistance Programs

These programs were created by the Legislature and are comprised of two programs administered by the State Board of Regents: Utah Higher Education Assistance Authority Student Loan Guarantee Program and the Student Loan Purchase Program. The purpose of these programs is to guarantee the repayment of student loans made by participating lenders to eligible student borrowers and to make loans to, and purchase the loans of, qualified students attending eligible institutions of higher education. Funds are acquired from bonds, lines-of-credit, variable rate demand notes, and financing agreements with the Student Loan Marketing Association.

Utah Correctional Industries (UCI)

UCI was established to provide employment for prisoners of the Utah State Prison. UCI manufactures and sells such items as license plates, furniture, highway signs, dairy and meat products, and provides printing and other miscellaneous products and services. Funding comes from charges for products and services.

State Trust Lands Administration

This agency manages the assets of the School and Institutional Trust Lands nonexpendable trust fund. Its objective is to maximize growth of principal and income production for the beneficiaries.

Agriculture Loan Fund

This fund is comprised of two separate revolving loan programs: the Agriculture Resource Development Loan Fund and the Rural Rehabilitation Fund. Both programs issue farm loans for soil and water conservation projects and the rehabilitation of rural areas within the State.

Utah Dairy Commission

The purpose of the Commission is to promote the use of dairy products. Its operations are comprised of promotion, advertising, research, and nutritional education regarding dairy products. Funding consists primarily of collections from milk producers.

Clean Fuels Vehicle Loan Fund

This fund was created by the Legislature to provide a revolving loan fund for the conversion of government and private fleet vehicles to clean fuel. Funds are provided from public and private contributions, appropriations, and interest earnings on loans and invested funds.

Petroleum Storage Tank Loan Fund

This fund was created by the Legislature to provide revolving loan capital to support small businesses, increase the availability of gasoline in rural areas, and reduce the threat of a petroleum release. Funds are provided by appropriations and interest earnings on loans and invested funds.

Revitalization Programs

The Legislature created these programs to benefit members of the Ute Indian Tribe in the Uintah Basin and members of the Navajo Nation in San Juan County. These programs issue grants and loans to serve persons who may be socially or economically impacted by mineral resource development in these areas. Funding is provided from a percentage of oil and gas severance taxes and interest earnings.

Critical Land Conservation Fund

The LeRay McAllister Critical Land Conservation Fund was created by the Legislature for the purpose of issuing loans and grants to assist local entities in their effort to preserve open land in the State. Funding consists primarily of state appropriations and funds from the State Building Energy Efficiency Program.

STATE OF UTAH

COMBINING BALANCE SHEET ENTERPRISE FUNDS

June 30, 2001

(Expressed in Thousands)

	Alcoholic Beverage Control	Student Assistance Programs	Utah Correctional Industries	State Trust Lands Administration
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 102	\$ 64,535	\$ —	\$ 2,636
Short-Term Investments	—	205,789	—	—
Receivables:				
Accounts	1,246	4,273	742	5,604
Notes	—	145,000	—	—
Accrued Interest	—	20,427	—	581
Due From Other Funds	243	—	1,736	1
Inventories	15,041	—	680	—
Prepaid Items	39	615	19	—
Total Current Assets	<u>16,671</u>	<u>440,639</u>	<u>3,177</u>	<u>8,822</u>
Other Assets:				
Advances To Other Funds	—	—	—	—
Other Investments	—	15,411	—	—
Notes/Mortgages Receivable Due After One Year	—	812,656	—	—
Deferred Charges Due After One Year	—	6,545	—	—
Total Other Assets	<u>0</u>	<u>834,612</u>	<u>0</u>	<u>0</u>
Fixed Assets:				
Land	4,357	—	—	5,963
Buildings and Improvements	20,396	—	2,051	—
Machinery and Equipment	6,090	1,218	2,406	1,163
Accumulated Depreciation	(7,491)	(776)	(2,105)	(687)
Construction-In-Progress	300	—	—	—
Total Fixed Assets	<u>23,652</u>	<u>442</u>	<u>2,352</u>	<u>6,439</u>
Total Assets	<u>\$ 40,323</u>	<u>\$ 1,275,693</u>	<u>\$ 5,529</u>	<u>\$ 15,261</u>
Liabilities and Fund Equity				
Liabilities:				
Current Liabilities:				
Vouchers Payable	\$ 4,804	\$ 6,824	\$ 353	\$ 617
Accrued Liabilities Due Within One Year	681	5,958	345	285
Due to Other Funds	10,506	—	436	4,720
Deferred Revenue Due Within One Year	—	1,483	—	1,535
Revenue Bonds Payable Due Within One Year	442	7,540	40	—
Obligations Under Capital Leases Due Within One Year	72	—	—	—
Total Current Liabilities	<u>16,505</u>	<u>21,805</u>	<u>1,174</u>	<u>7,157</u>
Long-Term Liabilities:				
Accrued Liabilities Due After One Year	—	46,940	—	—
Deferred Revenue Due After One Year	—	3,939	—	—
Revenue Bonds Payable Due After One Year	10,083	1,024,954	1,235	—
Obligations Under Capital Leases Due After One Year	96	—	—	—
Total Long-Term Liabilities	<u>10,179</u>	<u>1,075,833</u>	<u>1,235</u>	<u>0</u>
Total Liabilities	<u>26,684</u>	<u>1,097,638</u>	<u>2,409</u>	<u>7,157</u>
Fund Equity:				
Contributed Working Capital	13,639	—	3,103	5,405
Retained Earnings	—	178,055	17	2,699
Total Fund Equity	<u>13,639</u>	<u>178,055</u>	<u>3,120</u>	<u>8,104</u>
Total Liabilities and Fund Equity	<u>\$ 40,323</u>	<u>\$ 1,275,693</u>	<u>\$ 5,529</u>	<u>\$ 15,261</u>

Agriculture Loan Fund	Utah Dairy Commission	Clean Fuels Vehicle Loan Fund	Petroleum Storage Tank Loan Fund	Revitalization Programs	Critical Land Conservation Fund	Total June 30, 2001
\$ 6,468	\$ 396	\$ 2,513	\$ 4,547	\$ 6,558	\$ 1,611	\$ 89,366
—	—	—	—	—	—	205,789
—	199	—	—	—	—	12,064
2,880	—	5	193	—	—	148,078
411	—	2	—	—	—	21,421
6	—	20	—	—	—	2,006
—	57	—	—	—	—	15,778
—	1	—	—	—	—	674
<u>9,765</u>	<u>653</u>	<u>2,540</u>	<u>4,740</u>	<u>6,558</u>	<u>1,611</u>	<u>495,176</u>
—	—	100	—	—	—	100
—	327	—	—	—	—	15,738
21,563	—	29	976	—	—	835,224
—	—	—	—	—	—	6,545
<u>21,563</u>	<u>327</u>	<u>129</u>	<u>976</u>	<u>0</u>	<u>0</u>	<u>857,607</u>
—	32	—	—	—	—	10,352
—	117	—	—	—	—	22,564
20	84	—	—	—	—	10,981
(15)	(134)	—	—	—	—	(11,208)
—	—	—	—	—	—	300
<u>5</u>	<u>99</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,989</u>
<u>\$ 31,333</u>	<u>\$ 1,079</u>	<u>\$ 2,669</u>	<u>\$ 5,716</u>	<u>\$ 6,558</u>	<u>\$ 1,611</u>	<u>\$ 1,385,772</u>
\$ —	\$ 127	\$ —	\$ —	\$ —	\$ —	\$ 12,725
16	18	—	—	—	—	7,303
17	—	146	—	38	4	15,867
—	—	—	—	—	—	3,018
—	—	—	—	—	—	8,022
—	—	—	—	—	—	72
<u>33</u>	<u>145</u>	<u>146</u>	<u>0</u>	<u>38</u>	<u>4</u>	<u>47,007</u>
—	—	—	—	—	—	46,940
—	—	—	—	—	—	3,939
—	—	—	—	—	—	1,036,272
—	—	—	—	—	—	96
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,087,247</u>
<u>33</u>	<u>145</u>	<u>146</u>	<u>0</u>	<u>38</u>	<u>4</u>	<u>1,134,254</u>
20,037	—	1,650	5,000	400	180	49,414
<u>11,263</u>	<u>934</u>	<u>873</u>	<u>716</u>	<u>6,120</u>	<u>1,427</u>	<u>202,104</u>
<u>31,300</u>	<u>934</u>	<u>2,523</u>	<u>5,716</u>	<u>6,520</u>	<u>1,607</u>	<u>251,518</u>
<u>\$ 31,333</u>	<u>\$ 1,079</u>	<u>\$ 2,669</u>	<u>\$ 5,716</u>	<u>\$ 6,558</u>	<u>\$ 1,611</u>	<u>\$ 1,385,772</u>

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Alcoholic Beverage Control	Student Assistance Programs	Utah Correctional Industries	State Trust Lands Administration
Operating Revenues:				
Investment Earnings	\$ —	\$ 14,108	\$ —	\$ —
Liquor:				
Sales	122,927	—	—	—
Licenses, Permits, and Fees	852	—	—	7
Charges for Services/Premiums	—	5,735	12,733	7,709
Interest on Notes/Mortgages	—	64,307	—	—
Federal Reinsurance and Allowances	—	20,313	—	—
Miscellaneous	5	—	—	—
Total Operating Revenues	123,784	104,463	12,733	7,716
Cost of Goods Sold	77,346	—	10,208	—
Gross Profit	46,438	104,463	2,525	7,716
Operating Expenses:				
Administration	11,897	32,143	2,460	4,824
Payments on Loan Guarantees	—	10,630	—	—
Grants	—	—	—	—
Rentals and Leases	507	—	110	380
Maintenance	921	—	34	10
Interest	—	47,946	—	—
Depreciation	1,516	70	77	186
Supplies and Other Miscellaneous	756	—	340	122
Total Operating Expenses	15,597	90,789	3,021	5,522
Total Operating Income (Loss)	30,841	13,674	(496)	2,194
Non-Operating Income (Expenses):				
Investment Earnings	6	2,513	52	118
Gain (Loss) on Sale of Fixed Assets	(12)	—	—	—
Tax Revenues	—	—	—	—
Interest Expense	(582)	—	(65)	—
Total Non-Operating Income (Expenses)	(588)	2,513	(13)	118
Income (Loss) Before Operating Transfers	30,253	16,187	(509)	2,312
Operating Transfers In	—	—	—	—
Operating Transfers Out	(30,253)	(250)	—	—
Net Income (Loss)	0	15,937	(509)	2,312
Beginning Retained Earnings	—	162,118	526	387
Ending Retained Earnings	\$ 0	\$ 178,055	\$ 17	\$ 2,699

Agriculture Loan Fund	Utah Dairy Commission	Clean Fuels Vehicle Loan Fund	Petroleum Storage Tank Loan Fund	Revitalization Programs	Critical Land Conservation Fund	Total June 30, 2001
\$ 388	\$ —	\$ 139	\$ 249	\$ 181	\$ —	\$ 15,065
—	—	—	—	—	—	122,927
—	—	—	—	—	—	859
—	2,183	—	—	—	—	28,360
810	—	—	38	—	—	65,155
—	—	—	—	—	—	20,313
9	175	—	—	—	—	189
<u>1,207</u>	<u>2,358</u>	<u>139</u>	<u>287</u>	<u>181</u>	<u>0</u>	<u>252,868</u>
—	—	—	—	—	—	87,554
<u>1,207</u>	<u>2,358</u>	<u>139</u>	<u>287</u>	<u>181</u>	<u>0</u>	<u>165,314</u>
224	2,068	47	—	9	42	53,714
—	—	—	—	—	—	10,630
—	—	100	—	399	3,899	4,398
—	—	—	—	—	—	997
—	—	—	—	—	—	965
—	—	—	—	—	—	47,946
3	11	—	—	—	—	1,863
16	194	—	—	—	—	1,428
<u>243</u>	<u>2,273</u>	<u>147</u>	<u>0</u>	<u>408</u>	<u>3,941</u>	<u>121,941</u>
<u>964</u>	<u>85</u>	<u>(8)</u>	<u>287</u>	<u>(227)</u>	<u>(3,941)</u>	<u>43,373</u>
—	6	—	—	—	260	2,955
—	—	—	—	—	—	(12)
500	—	—	—	3,330	—	3,830
—	—	—	—	—	—	(647)
<u>500</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>3,330</u>	<u>260</u>	<u>6,126</u>
<u>1,464</u>	<u>91</u>	<u>(8)</u>	<u>287</u>	<u>3,103</u>	<u>(3,681)</u>	<u>49,499</u>
—	—	—	—	—	2,750	2,750
(235)	—	—	(100)	—	—	(30,838)
<u>1,229</u>	<u>91</u>	<u>(8)</u>	<u>187</u>	<u>3,103</u>	<u>(931)</u>	<u>21,411</u>
10,034	843	881	529	3,017	2,358	180,693
<u>\$ 11,263</u>	<u>\$ 934</u>	<u>\$ 873</u>	<u>\$ 716</u>	<u>\$ 6,120</u>	<u>\$ 1,427</u>	<u>\$ 202,104</u>

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Alcoholic Beverage Control	Student Assistance Programs	Utah Correctional Industries	State Trust Lands Administration
Increase (Decrease) in Cash and Cash Equivalents:				
Cash Flows From Operating Activities:				
Receipts from Customers/Loan Interest/Fees/Premiums	\$ 146,564	\$ 58,293	\$ 3,587	\$ 8,086
Receipts from Loan Maturities	—	130,330	—	—
Receipts of Federal Reinsurance and Allowances	—	24,673	—	—
Receipts from State Customers	—	—	9,034	—
Student Loan Disbursements Received from Lenders	—	209,244	—	—
Student Loan Disbursements Sent to Schools	—	(208,988)	—	—
Payments to Suppliers/Claims/Grants	(81,548)	(22,790)	(4,846)	(1,322)
Disbursements for Loans Receivable	—	(242,168)	—	—
Payments on Loan Guarantees	—	(16,014)	—	—
Payments for Employee Services and Benefits	(9,835)	(2,574)	(7,432)	(3,502)
Payments to State Suppliers	(2,093)	—	(519)	(51)
Payments of Sales, School Lunch, and Premium Taxes	(22,854)	—	—	—
Net Cash Provided (Used) by Operating Activities	<u>30,234</u>	<u>(69,994)</u>	<u>(176)</u>	<u>3,211</u>
Cash Flows from Noncapital Financing Activities:				
Borrowings Under Revolving Loans	8,206	—	214	—
Repayments Under Revolving Loans	(6,058)	—	—	—
Receipts from Bonds, Notes, Advances, and Deposits	—	258,500	485	—
Payments of Bonds, Notes, Advances, and Deposits	—	(95,035)	(20)	—
Interest Paid on Bonds, Notes, and Financing Costs	—	(52,790)	(57)	—
Oil and Gas Severance Tax	—	—	—	—
Operating Transfers In from Other Funds	—	—	—	—
Operating Transfers Out to Other Funds	(30,253)	(250)	—	—
Equity Transfers Out to Other Funds	(1,533)	—	—	(24)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(29,638)</u>	<u>110,425</u>	<u>622</u>	<u>(24)</u>
Cash Flows from Capital and Related Financing Activities:				
Proceeds from Bond and Note Debt Issuance/Grants	55	—	—	—
Principal Paid on Debt and Contract Maturities	(535)	—	—	—
Acquisition and Construction of Capital Assets	(492)	(37)	(536)	(1,729)
Interest Paid on Bonds, Notes, and Capital Leases	(584)	—	—	—
Transfers In from Other Funds	961	—	—	—
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(595)</u>	<u>(37)</u>	<u>(536)</u>	<u>(1,729)</u>
Cash Flows from Investing Activities:				
Proceeds from the Sale and Maturity of Investments	—	460,692	—	—
Receipts of Interest and Dividends from Investments	—	15,779	52	118
Payments to Purchase Investments	—	(504,372)	—	—
Net Cash Provided (Used) by Investing Activities	<u>0</u>	<u>(27,901)</u>	<u>52</u>	<u>118</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1	12,493	(38)	1,576
Beginning Cash and Cash Equivalents	101	52,042	38	1,060
Ending Cash and Cash Equivalents	<u>\$ 102</u>	<u>\$ 64,535</u>	<u>\$ 0</u>	<u>\$ 2,636</u>

<u>Agriculture Loan Fund</u>	<u>Utah Dairy Commission</u>	<u>Clean Fuels Vehicle Loan Fund</u>	<u>Petroleum Storage Tank Loan Fund</u>	<u>Revitalization Programs</u>	<u>Critical Land Conservation Fund</u>	<u>Total June 30, 2001</u>
\$ 1,152	\$ 2,448	\$ 143	\$ 286	\$ 181	\$ —	\$ 220,740
3,282	—	54	234	—	—	133,900
—	—	—	—	—	—	24,673
10	—	—	—	—	—	9,044
—	—	—	—	—	—	209,244
—	—	—	—	—	—	(208,988)
(17)	(1,830)	(40)	—	(489)	(4,836)	(117,718)
(5,455)	—	(5)	(50)	—	—	(247,678)
—	—	—	—	—	—	(16,014)
(192)	(418)	(1)	—	—	—	(23,954)
(31)	—	—	—	—	(40)	(2,734)
—	—	—	—	—	—	(22,854)
<u>(1,251)</u>	<u>200</u>	<u>151</u>	<u>470</u>	<u>(308)</u>	<u>(4,876)</u>	<u>(42,339)</u>
—	—	—	—	—	—	8,420
—	—	—	—	—	—	(6,058)
—	—	—	—	—	—	258,985
—	—	—	—	—	—	(95,055)
—	—	—	—	—	—	(52,847)
500	—	—	—	3,330	—	3,830
—	—	—	—	—	2,750	2,750
(235)	—	—	(100)	—	—	(30,838)
—	—	—	—	—	—	(1,557)
<u>265</u>	<u>0</u>	<u>0</u>	<u>(100)</u>	<u>3,330</u>	<u>2,750</u>	<u>87,630</u>
—	—	—	—	—	—	55
—	—	—	—	—	—	(535)
—	(17)	—	—	—	—	(2,811)
—	—	—	—	—	—	(584)
—	—	—	—	—	—	961
<u>0</u>	<u>(17)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,914)</u>
—	—	—	—	—	—	460,692
—	6	—	—	—	260	16,215
—	—	—	—	—	—	(504,372)
<u>0</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>260</u>	<u>(27,465)</u>
(986)	189	151	370	3,022	(1,866)	14,912
<u>7,454</u>	<u>207</u>	<u>2,362</u>	<u>4,177</u>	<u>3,536</u>	<u>3,477</u>	<u>74,454</u>
<u>\$ 6,468</u>	<u>\$ 396</u>	<u>\$ 2,513</u>	<u>\$ 4,547</u>	<u>\$ 6,558</u>	<u>\$ 1,611</u>	<u>\$ 89,366</u>

Continues

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS ENTERPRISE FUNDS

				Continued
For the Fiscal Year Ended June 30, 2001		(Expressed in Thousands)		
	Alcoholic Beverage Control	Student Assistance Programs	Utah Correctional Industries	State Trust Lands Administration
Reconciliation of Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Total Operating Income (Loss)	\$ 30,841	\$ 13,674	\$ (496)	\$ 2,194
Adjustments to Reconcile Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Not Requiring Cash	1,516	70	77	186
Interest Expense for Noncapital and Capital Financing	—	47,643	—	—
Revenue from Non-Operating Investment Activities	—	(14,108)	—	—
Miscellaneous Gains, Losses, and Other Items Not Requiring Cash	6	3,182	343	332
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable/ Due From Other Funds	42	937	(112)	(748)
(Increase) Decrease in Accrued Interest/ Notes Receivable	—	(131,491)	—	171
(Increase) Decrease in Inventories	(825)	—	139	—
(Increase) Decrease in Prepaid Items	(37)	(20)	17	—
(Decrease) Increase in Vouchers Payable/Accrued Liabilities/Due to Other Funds	(1,309)	9,418	(144)	1,248
(Decrease) Increase in Deferred Revenue/Deposits	—	701	—	(172)
Net Cash Provided (Used) by Operating Activities	\$ 30,234	\$ (69,994)	\$ (176)	\$ 3,211

<u>Agriculture Loan Fund</u>	<u>Utah Dairy Commission</u>	<u>Clean Fuels Vehicle Loan Fund</u>	<u>Petroleum Storage Tank Loan Fund</u>	<u>Revitalization Programs</u>	<u>Critical Land Conservation Fund</u>	<u>Total June 30, 2001</u>
\$ 964	\$ 85	\$ (8)	\$ 287	\$ (227)	\$ (3,941)	\$ 43,373
3	11	—	—	—	—	1,863
—	—	—	—	—	—	47,643
—	—	—	—	—	—	(14,108)
—	—	—	—	—	—	3,863
4	81	20	—	—	—	224
(2,223)	9	33	184	—	—	(133,317)
—	2	—	—	—	—	(684)
—	(1)	—	—	—	—	(41)
1	13	106	(1)	(81)	(935)	8,316
—	—	—	—	—	—	529
<u>\$ (1,251)</u>	<u>\$ 200</u>	<u>\$ 151</u>	<u>\$ 470</u>	<u>\$ (308)</u>	<u>\$ (4,876)</u>	<u>\$ (42,339)</u>

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STATE OF UTAH

INTERNAL SERVICE FUNDS

The Internal Service Funds

are maintained to account for the operation of state agencies that provide goods or services to other state agencies and other governmental units on a cost-reimbursement basis.

Water Resources Loan Fund

This fund provides loans to local governments, water districts, and other entities for the purpose of upgrading water storage facilities and other related structures. Capital for this fund has been provided from the General Fund or from general obligation bonds that are repaid from general tax revenues. Additional funds have been generated by issuing revolving fund recapitalization revenue bonds that are secured by notes receivable in the fund and will be repaid from the collection of these loans.

Information Technology Fund

This fund is responsible for providing data processing services and voice and data communication services to state agencies.

Employees Group Insurance

This fund offers several health insurance programs to state and local government employees. These programs include plans operated entirely by the State, as well as plans offered by private insurance carriers.

Community Impact Loan Fund

This fund provides loans to local governments to alleviate the social, economic, and public financial impacts resulting from the development of the State's natural resources. Working capital for this fund is provided from federal mineral lease funds transferred from the General Fund.

Transportation Infrastructure Loan Fund

This fund was created as a revolving loan fund to provide infrastructure assistance to state and local governments to expedite construction projects. The fund was capitalized with federal grants and state matching appropriations.

General Services Fund

This fund administers office supply contracts and provides statewide copy and mail services to state agencies.

Fleet Operations Fund

This fund provides automobile rental, fuel dispensing, and surplus property services to state agencies.

Human Services/Internal Service Fund

This fund provides computer-programming services for the Department of Human Services and the cost of renting and maintaining facilities used by the Department.

Office of Education/Internal Service Fund

This fund provides copy and mail services to the Office of Education.

Natural Resources/Internal Service Fund

This fund operates the Department of Natural Resources' motor pool and central warehouse services.

Risk Management Fund

This division of the Department of Administrative Services provides insurance coverage and loss prevention to state agencies, institutions of higher education, and participating local school districts. Coverage is provided using a combination of self-insurance and private excess insurance.

Property Management Fund

This fund has statutory responsibility for the operation and maintenance of facilities used by state agencies.

State Debt Collection Fund

This fund provides a central collection process for the delinquent receivables of the State. It is funded through collection fees.

STATE OF UTAH

COMBINING BALANCE SHEET INTERNAL SERVICE FUNDS

June 30, 2001

(Expressed in Thousands)

	Water Resources Loan Fund	Information Technology	Employees Group Insurance	Community Impact Loan Fund	Transportation Infrastructure Loan Fund
Assets					
Current Assets:					
Cash and Cash Equivalents	\$ 9,619	\$ 1,094	\$ 491	\$ 12,588	\$ —
Short-Term Investments	613	—	82,430	36,342	—
Receivables:					
Accounts	1,777	886	15,788	—	—
Notes	10,125	—	—	7,422	—
Accrued Interest	5,791	—	1,301	2,051	—
Due From Other Funds	95	4,659	—	—	—
Inventories	—	1,630	—	—	—
Prepaid Items	—	1,180	4,658	—	—
Total Current Assets	28,020	9,449	104,668	58,403	0
Other Assets:					
Advances To Other Funds	—	—	—	—	2,478
Other Investments	—	—	61,931	—	—
Long-Term Portion of Notes Receivable	194,522	241	—	136,653	—
Long-Term Portion of Prepaid Items	—	—	—	—	—
Total Other Assets	194,522	241	61,931	136,653	2,478
Fixed Assets:					
Buildings and Improvements	—	5,552	—	—	—
Machinery and Equipment	—	75,523	3,317	—	—
Accumulated Depreciation	—	(62,430)	(1,961)	—	—
Construction-In-Progress	—	961	—	—	—
Total Fixed Assets	0	19,606	1,356	0	0
Total Assets	\$ 222,542	\$ 29,296	\$ 167,955	\$ 195,056	\$ 2,478
Liabilities and Fund Equity					
Liabilities:					
Current Liabilities:					
Vouchers Payable	\$ 51	\$ 3,467	\$ 2,183	\$ —	\$ —
Accrued Liabilities	74	1,138	5,418	—	—
Securities Lending Liability	—	—	36,288	—	—
Due to Other Funds	8	1,871	500	51	—
Due to Component Units	—	—	795	—	—
Deferred Revenue	127	135	1,144	—	—
Policy Claim Liabilities Due Within One Year	—	—	38,990	—	—
Revenue Bonds Due Within One Year	1,485	—	—	—	—
Total Current Liabilities	1,745	6,611	85,318	51	0
Long-Term Liabilities:					
Advances From Other Funds	—	—	—	—	—
Policy Claim Liabilities Long-Term Portion	—	—	35,409	—	—
Revenue Bonds Long-Term Portion	3,260	—	—	—	—
Total Long-Term Liabilities	3,260	0	35,409	0	0
Total Liabilities	5,005	6,611	120,727	51	0
Fund Equity:					
Contributed Working Capital	167,979	8,263	—	135,445	168
Retained Earnings	49,558	14,422	47,228	59,560	2,310
Total Fund Equity	217,537	22,685	47,228	195,005	2,478
Total Liabilities and Fund Equity	\$ 222,542	\$ 29,296	\$ 167,955	\$ 195,056	\$ 2,478

General Services	Fleet Operations	Human Services/ Internal Service	Office of Education/ Internal Service	Natural Resources/ Internal Service	Risk Management	Property Management	State Debt Collection	Total June 30, 2001
\$ 531	\$ 67	\$ 548	\$ 36	\$ —	\$ 12,699	\$ 1,369	\$ 1,045	\$ 40,087
—	—	—	—	—	38,966	—	—	158,351
155	2,649	—	4	—	190	18	18	21,485
—	—	—	—	—	—	—	—	17,547
—	—	—	—	—	—	—	—	9,143
2,027	4,213	50	185	899	1,568	758	—	14,454
526	1,312	—	36	328	—	—	—	3,832
—	—	—	83	—	1,318	—	—	7,239
3,239	8,241	598	344	1,227	54,741	2,145	1,063	272,138
—	—	—	—	—	—	—	—	2,478
—	—	—	—	—	—	—	—	61,931
—	—	—	—	—	—	—	—	331,416
—	—	—	—	—	1,232	—	—	1,232
0	0	0	0	0	1,232	0	0	397,057
58	1,368	—	—	1,246	—	—	—	8,224
9,514	92,283	65	280	12,627	218	531	—	194,358
(5,204)	(33,487)	(61)	(203)	(7,112)	(200)	(366)	—	(111,024)
—	—	—	—	—	—	—	—	961
4,368	60,164	4	77	6,761	18	165	0	92,519
\$ 7,607	\$ 68,405	\$ 602	\$ 421	\$ 7,988	\$ 55,991	\$ 2,310	\$ 1,063	\$ 761,714
\$ 1,329	\$ 3,106	\$ 10	\$ 72	\$ 127	\$ 260	\$ 936	\$ 48	\$ 11,589
140	156	176	14	17	101	400	16	7,650
—	—	—	—	—	—	—	—	36,288
1,836	17,035	239	79	1,774	1,046	81	399	24,919
—	—	—	—	—	—	—	—	795
—	73	—	—	—	1,594	—	—	3,073
—	—	—	—	—	12,880	—	—	51,870
—	35	—	—	—	—	—	—	1,520
3,305	20,405	425	165	1,918	15,881	1,417	463	137,704
2,084	16,511	—	—	5,827	—	—	—	24,422
—	—	—	—	—	31,447	—	—	66,856
—	1,050	—	—	—	—	—	—	4,310
2,084	17,561	0	0	5,827	31,447	0	0	95,588
5,389	37,966	425	165	7,745	47,328	1,417	463	233,292
2,730	27,450	99	143	2,919	766	172	—	346,134
(512)	2,989	78	113	(2,676)	7,897	721	600	182,288
2,218	30,439	177	256	243	8,663	893	600	528,422
\$ 7,607	\$ 68,405	\$ 602	\$ 421	\$ 7,988	\$ 55,991	\$ 2,310	\$ 1,063	\$ 761,714

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Water Resources Loan Fund	Information Technology	Employees Group Insurance	Community Impact Loan Fund	Transportation Infrastructure Loan Fund
Operating Revenues:					
Investment Earnings	\$ 764	\$ —	\$ 9,338	\$ 2,303	\$ —
Interest on Notes/Mortgages	3,177	—	—	2,921	—
Charges for Services/Premiums	155	55,340	252,227	—	—
Total Operating Revenues	<u>4,096</u>	<u>55,340</u>	<u>261,565</u>	<u>5,224</u>	<u>0</u>
Operating Expenses:					
Administration	—	17,094	6,371	—	—
Materials and Services for Resale	859	13,331	—	89	—
Grants	2,154	—	—	—	—
Rentals and Leases	—	227	557	—	—
Maintenance	—	1,086	—	—	—
Interest	363	—	—	—	—
Depreciation	—	6,438	438	—	—
Benefit Claims	—	—	252,533	—	—
Policyholder Dividends	—	—	6,000	—	—
Miscellaneous Other:					
Data Processing	—	11,345	229	—	—
Supplies	—	1,213	1,248	—	—
Utilities	—	3,992	1,044	—	—
Unclassified Other	—	1,192	876	—	—
Total Operating Expenses	<u>3,376</u>	<u>55,918</u>	<u>269,296</u>	<u>89</u>	<u>0</u>
Total Operating Income (Loss)	<u>720</u>	<u>(578)</u>	<u>(7,731)</u>	<u>5,135</u>	<u>0</u>
Non-Operating Income (Expenses):					
Federal Grants	—	58	—	—	—
Gain (Loss) on Sale of Fixed Assets	—	—	—	—	—
Refunds Paid to Federal Government	—	(991)	—	—	—
Tax Revenues	9,422	—	—	—	—
Interest Expense	—	—	—	—	—
Other Income	400	—	—	587	—
Total Non-Operating Income (Expenses)	<u>9,822</u>	<u>(933)</u>	<u>0</u>	<u>587</u>	<u>0</u>
Income (Loss) Before Operating Transfers	10,542	(1,511)	(7,731)	5,722	0
Operating Transfers In	—	877	—	—	—
Operating Transfers Out	(4,852)	(1,130)	—	(509)	—
Net Income (Loss)	<u>5,690</u>	<u>(1,764)</u>	<u>(7,731)</u>	<u>5,213</u>	<u>0</u>
Beginning Retained Earnings	43,868	16,186	54,959	54,347	2,310
Ending Retained Earnings	<u>\$ 49,558</u>	<u>\$ 14,422</u>	<u>\$ 47,228</u>	<u>\$ 59,560</u>	<u>\$ 2,310</u>

General Services	Fleet Operations	Human Services/ Internal Service	Office of Education/ Internal Service	Natural Resources/ Internal Service	Risk Management	Property Management	State Debt Collection	Total June 30, 2001
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,302	\$ —	\$ —	\$ 15,707
—	—	—	—	—	—	—	—	6,098
13,035	37,398	3,580	1,301	4,341	29,278	18,767	1,116	416,538
<u>13,035</u>	<u>37,398</u>	<u>3,580</u>	<u>1,301</u>	<u>4,341</u>	<u>32,580</u>	<u>18,767</u>	<u>1,116</u>	<u>438,343</u>
2,356	2,495	2,044	259	235	1,751	5,854	279	38,738
7,317	13,932	—	461	482	12,690	—	279	49,440
—	—	—	—	—	—	—	382	2,536
877	555	719	355	293	26	514	—	4,123
221	7,590	958	36	1,720	2	5,729	—	17,342
—	—	—	—	—	—	—	—	363
1,365	9,406	1	14	1,306	26	73	—	19,067
—	—	—	—	—	14,914	—	—	267,447
—	—	—	—	—	—	—	—	6,000
54	138	121	—	13	122	106	15	12,143
137	254	18	97	8	95	354	6	3,430
28	150	31	3	9	29	5,144	3	10,433
157	1,863	63	57	41	224	694	26	5,193
<u>12,512</u>	<u>36,383</u>	<u>3,955</u>	<u>1,282</u>	<u>4,107</u>	<u>29,879</u>	<u>18,468</u>	<u>990</u>	<u>436,255</u>
<u>523</u>	<u>1,015</u>	<u>(375)</u>	<u>19</u>	<u>234</u>	<u>2,701</u>	<u>299</u>	<u>126</u>	<u>2,088</u>
—	3	—	—	—	—	—	—	61
30	(875)	—	—	35	—	—	—	(810)
—	—	—	—	—	(292)	—	—	(1,283)
—	—	—	—	—	—	—	—	9,422
—	(55)	—	—	—	—	—	—	(55)
—	—	—	—	—	—	—	—	987
<u>30</u>	<u>(927)</u>	<u>0</u>	<u>0</u>	<u>35</u>	<u>(292)</u>	<u>0</u>	<u>0</u>	<u>8,322</u>
553	88	(375)	19	269	2,409	299	126	10,410
—	—	—	—	—	—	50	49	976
—	—	—	—	—	—	—	—	(6,491)
553	88	(375)	19	269	2,409	349	175	4,895
(1,065)	2,901	453	94	(2,945)	5,488	372	425	177,393
<u>\$ (512)</u>	<u>\$ 2,989</u>	<u>\$ 78</u>	<u>\$ 113</u>	<u>\$ (2,676)</u>	<u>\$ 7,897</u>	<u>\$ 721</u>	<u>\$ 600</u>	<u>\$ 182,288</u>

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Water Resources Loan Fund	Information Technology	Employees Group Insurance	Community Impact Loan Fund	Transportation Infrastructure Loan Fund
Increase (Decrease) in Cash and Cash Equivalents:					
Cash Flows From Operating Activities:					
Receipts from Customers/Loan Interest/Fees/Premiums	\$ 5,673	\$ 1,786	\$ 243,384	\$ 2,804	\$ —
Receipts from Loan Maturities	13,204	—	—	7,130	—
Receipts from State Customers	—	52,839	—	—	—
Payments to Suppliers/Claims/Grants	(2,900)	(22,175)	(248,638)	—	—
Disbursements for Loans Receivable	(16,729)	—	—	(14,173)	—
Payments for Employee Services and Benefits	—	(17,016)	(4,114)	—	—
Payments to State Suppliers	(74)	(10,813)	(14)	(38)	—
Payments of Policyholder Dividends	—	—	(6,000)	—	—
Net Cash Provided (Used) by Operating Activities	(826)	4,621	(15,382)	(4,277)	0
Cash Flows from Noncapital Financing Activities:					
Receipts from Bonds, Notes, Advances, and Deposits	400	1,340	—	—	—
Payments of Bonds, Notes, Advances, Deposits, and Retained Earnings	(1,400)	(991)	—	—	—
Interest Paid on Notes and Financing Costs	(385)	—	—	—	—
Restricted Sales Tax	9,137	—	—	—	—
Federal Grants and Other	—	58	—	587	—
Operating Transfers In from Other Funds	—	877	—	—	—
Operating Transfers Out to Other Funds	(4,852)	(1,130)	—	(509)	—
Equity Transfers In from Other Funds	1,653	—	—	17,354	—
Net Cash Provided (Used) by Noncapital Financing Activities	4,553	154	0	17,432	0
Cash Flows from Capital and Related Financing Activities:					
Proceeds from Disposition of Capital Assets	—	413	—	—	—
Federal Grants	—	—	—	—	—
Principal Paid on Debt and Contract Maturities	—	—	—	—	—
Acquisition and Construction of Capital Assets	—	(10,496)	(432)	—	—
Interest Paid on Bonds, Notes, and Capital Leases	—	—	—	—	—
Transfers In from Other Funds	—	—	—	—	—
Net Cash Provided (Used) by Capital and Related Financing Activities	0	(10,083)	(432)	0	0
Cash Flows from Investing Activities:					
Proceeds from the Sale and Maturity of Investments	9,272	—	44,909	—	—
Receipts of Interest and Dividends from Investments	863	—	7,350	2,303	—
Payments to Purchase Investments	(8,094)	—	(37,681)	(36,342)	—
Net Cash Provided (Used) by Investing Activities	2,041	0	14,578	(34,039)	0
Net Increase (Decrease) in Cash and Cash Equivalents	5,768	(5,308)	(1,236)	(20,884)	0
Beginning Cash and Cash Equivalents	3,851	6,402	1,727	33,472	—
Ending Cash and Cash Equivalents	\$ 9,619	\$ 1,094	\$ 491	\$ 12,588	\$ 0

General Services	Fleet Operations	Human Services/ Internal Service	Office of Education/ Internal Service	Natural Resources/ Internal Service	Risk Management	Property Management	State Debt Collection	Total June 30, 2001
\$ 401	\$ 7,171	\$ —	\$ —	\$ 8	\$ 9,733	\$ 186	\$ 2,107	\$ 273,253
—	—	—	—	—	—	—	—	20,334
12,863	29,846	3,562	1,375	4,218	18,754	18,622	—	142,079
(5,919)	(9,181)	(227)	(884)	—	(13,239)	(12,684)	(272)	(316,119)
—	—	—	—	—	—	—	—	(30,902)
(2,366)	(2,499)	(2,035)	(260)	(235)	(1,747)	(5,850)	(268)	(36,390)
(2,239)	(17,182)	(1,463)	(76)	(2,479)	(10,326)	—	(1,239)	(45,943)
—	—	—	—	—	—	—	—	(6,000)
<u>2,740</u>	<u>8,155</u>	<u>(163)</u>	<u>155</u>	<u>1,512</u>	<u>3,175</u>	<u>274</u>	<u>328</u>	<u>312</u>
—	4,218	—	—	—	—	—	—	5,958
(768)	(20)	—	(78)	(1,806)	(292)	—	—	(5,355)
—	—	—	—	—	—	—	—	(385)
—	—	—	—	—	—	—	—	9,137
—	—	—	—	—	—	—	—	645
—	—	—	—	—	—	50	49	976
—	—	—	—	—	—	—	—	(6,491)
—	—	—	—	—	—	—	—	19,007
<u>(768)</u>	<u>4,198</u>	<u>0</u>	<u>(78)</u>	<u>(1,806)</u>	<u>(292)</u>	<u>50</u>	<u>49</u>	<u>23,492</u>
64	3,374	—	—	294	—	—	—	4,145
—	3	—	—	—	—	—	—	3
—	(35)	—	—	—	—	—	—	(35)
(1,632)	(20,128)	(5)	(41)	—	(13)	(12)	—	(32,759)
—	(56)	—	—	—	—	—	—	(56)
—	4,467	—	—	—	—	—	—	4,467
<u>(1,568)</u>	<u>(12,375)</u>	<u>(5)</u>	<u>(41)</u>	<u>294</u>	<u>(13)</u>	<u>(12)</u>	<u>0</u>	<u>(24,235)</u>
—	—	—	—	—	—	—	—	54,181
—	—	—	—	—	3,302	—	—	13,818
—	—	—	—	—	(4,364)	—	—	(86,481)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,062)</u>	<u>0</u>	<u>0</u>	<u>(18,482)</u>
404	(22)	(168)	36	0	1,808	312	377	(18,913)
127	89	716	—	—	10,891	1,057	668	59,000
<u>\$ 531</u>	<u>\$ 67</u>	<u>\$ 548</u>	<u>\$ 36</u>	<u>\$ 0</u>	<u>\$ 12,699</u>	<u>\$ 1,369</u>	<u>\$ 1,045</u>	<u>\$ 40,087</u>

Continues

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

Continued

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Water Resources Loan Fund	Information Technology	Employees Group Insurance	Community Impact Loan Fund	Transportation Infrastructure Loan Fund
Reconciliation of Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Total Operating Income (Loss)	\$ 720	\$ (578)	\$ (7,731)	\$ 5,135	\$ —
Adjustments to Reconcile Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Not Requiring Cash	—	6,438	438	—	—
Interest Expense for Noncapital and Capital Financing	363	—	—	—	—
Revenue from Non-Operating Investment Activities	(764)	—	(9,338)	(2,303)	—
Miscellaneous Gains, Losses, and Other Items Not Requiring Cash	—	—	8	—	—
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable/ Due From Other Funds	338	(276)	(4,811)	—	—
(Increase) Decrease in Accrued Interest/ Notes Receivable	(1,454)	(241)	—	(7,153)	—
(Increase) Decrease in Inventories	—	(457)	—	—	—
(Increase) Decrease in Prepaid Items	—	(43)	(2,128)	—	—
(Decrease) Increase in Vouchers Payable/Accrued Liabilities/Due to Other Funds	(29)	193	2,743	51	—
(Decrease) Increase in Deferred Revenue	—	(198)	162	(7)	—
(Decrease) Increase in Policy Claim Liabilities	—	—	6,275	—	—
(Decrease) Increase in Notes Payable	—	(217)	(1,000)	—	—
Net Cash Provided (Used) by Operating Activities	<u>\$ (826)</u>	<u>\$ 4,621</u>	<u>\$ (15,382)</u>	<u>\$ (4,277)</u>	<u>\$ 0</u>
Noncash Investing, Capital, and Financing Activities:					
Increase (Decrease) in Fair Value of Investments	\$ —	\$ —	\$ 2,591	\$ 3	\$ —
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,591</u>	<u>\$ 3</u>	<u>\$ 0</u>

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STATE OF UTAH

TRUST AND AGENCY FUNDS

The Trust and Agency Funds

are fiduciary in nature and are maintained to account for assets held by the State acting in the capacity as trustee or agent.

Pension Trust Funds

These funds are used to account for the activities of Utah Retirement Systems.

Investment Trust Fund

This fund is used to account for the investments related to external participants in the Utah State Public Treasurer's Investment Fund.

Nonexpendable Trust Fund, Trust Lands

This fund accounts for land grants and the sale of such lands received from the federal *Enabling Act*. The principal in the fund is perpetual, with the earnings used to support state education.

Expendable Trust Funds:

Unemployment Compensation Trust

This fund pays claims for unemployment to eligible recipients and is funded through employer contributions, employer reimbursements, and federal grants.

Deferred Compensation 457 Plan

This fund accounts for the Deferred Compensation 457 Plan under the Internal Revenue Code, which is administered by Utah Retirement Systems.

Employers' Reinsurance Trust

This fund provides compensation to individuals injured on the job where an employer is not insured, or when an injury is of a permanent nature and workers' compensation benefits have expired. Funds received are from taxes on insurance premiums and court ordered penalties.

Utah Navajo Trust Fund

This fund receives oil royalties, operating, and other trust revenues. Funds received are used for the health, education, and general welfare of members of the Utah chapters of the Navajo Nation.

Restricted Trust

This is made up of various small individual funds created to receive and disburse funds in accordance with applicable laws and trust agreements.

Agency Funds:

Taxes and Social Security

This fund is used to account for federal and state withholding and social security taxes on the State's payroll.

County and Local Collections

This fund receives and disburses various taxes collected by the State on behalf of county and local governments.

State Courts

This fund receives and disburses various fines and forfeitures collected by the State Courts on behalf of state and local agencies.

Deposits, Suspense, and Miscellaneous

This is made up of small individual funds set up to account for various receipts and disbursements.

STATE OF UTAH

COMBINING BALANCE SHEET TRUST AND AGENCY FUNDS

June 30, 2001

(Expressed in Thousands)

	Pension Trust Funds	Investment Trust Fund	Non- expendable Trust Fund
	Utah Retirement Systems	Public Treasurer's Investment Fund	Trust Lands
Assets			
Cash and Cash Equivalents	\$ 582,351	\$ 7,215	\$ 13,204
Investments	15,597,437	3,014,673	337,856
Receivables:			
Accounts, Net	517,100	—	21,427
Accrued Interest	—	26,450	243
Accrued Premium Taxes	—	—	—
Due From Other Funds	—	—	4,616
Land	1,779	—	6,158
Buildings and Improvements	10,200	—	—
Machinery and Equipment	2,930	—	—
Accumulated Depreciation	(5,874)	—	—
Total Assets	<u>\$ 16,705,923</u>	<u>\$ 3,048,338</u>	<u>\$ 383,504</u>
Liabilities and Fund Balances			
Liabilities:			
Vouchers Payable	\$ 611,595	\$ —	\$ —
Securities Lending Liability	1,459,830	—	—
Deposits	—	—	—
Due to Other Funds	—	—	—
Due to Other Individuals or Groups	—	—	—
Due to Other Taxing Units	—	—	—
Deferred Revenue	—	—	11,280
Leave/Postemployment Benefits	1,554	—	—
Policy Claim Liabilities/Insurance Reserves	49,692	—	—
Total Liabilities	<u>2,122,671</u>	<u>0</u>	<u>11,280</u>
Fund Balances:			
Reserved:			
Reserved for Employees' Retirement Systems	14,583,252	—	—
Reserved for External Investment Fund Participants	—	3,037,354	—
Reserved for Investment Fund Participants – Undistributed			
Reserves and Unrealized Gains/Losses	—	10,984	—
Reserved for Education	—	—	372,224
Reserved for Unemployment Compensation Benefits	—	—	—
Reserved for Employee Deferred Compensation	—	—	—
Reserved for Utah Navajo Tribe	—	—	—
Reserved by Statute	—	—	—
Total Reserved	<u>14,583,252</u>	<u>3,048,338</u>	<u>372,224</u>
Unreserved Undesignated	—	—	—
Total Fund Balances	<u>14,583,252</u>	<u>3,048,338</u>	<u>372,224</u>
Total Liabilities and Fund Balances	<u>\$ 16,705,923</u>	<u>\$ 3,048,338</u>	<u>\$ 383,504</u>
Participant Account Balance Net Asset Valuation Factor		<u>1.000074</u>	

Expendable Trust Funds	Agency Funds	Total June 30, 2001
\$ 631,135	\$ 57,051	\$ 1,290,956
400,637	6,735	19,357,338
29,655	1	568,183
8	—	26,701
6,324	—	6,324
94	7,042	11,752
—	—	7,937
—	—	10,200
—	—	2,930
—	—	(5,874)
<u>\$ 1,067,853</u>	<u>\$ 70,829</u>	<u>\$ 21,276,447</u>
\$ 24,119	\$ —	\$ 635,714
—	—	1,459,830
55	—	55
4,507	—	4,507
—	27,260	27,260
—	43,569	43,569
20,947	—	32,227
—	—	1,554
406,254	—	455,946
<u>455,882</u>	<u>70,829</u>	<u>2,660,662</u>
—	—	14,583,252
—	—	3,037,354
—	—	10,984
—	—	372,224
599,964	—	599,964
215,605	—	215,605
15,525	—	15,525
70,746	—	70,746
901,840	0	18,905,654
(289,869)	—	(289,869)
611,971	0	18,615,785
<u>\$ 1,067,853</u>	<u>\$ 70,829</u>	<u>\$ 21,276,447</u>

STATE OF UTAH

COMBINING STATEMENT OF PLAN NET ASSETS DEFINED BENEFIT PENSION PLANS AND OTHER PENSION TRUST FUNDS

June 30, 2001

(Expressed in Thousands)

	Contributory System	Non- contributory System	Public Safety System	Fire- fighters System
Assets				
Cash and Cash Equivalents	\$ 41,394	\$ 455,495	\$ 56,665	\$ 23,663
Receivables:				
Member Contributions	440	—	201	396
Employer Contributions	591	20,598	1,999	—
Court Fees and Fire Insurance Premiums	—	—	—	—
Investments	33,537	369,045	45,900	19,171
Total Receivables	34,568	389,643	48,100	19,567
Investments:				
Bonds	240,889	2,650,796	329,681	137,704
Equity Investments	520,204	5,724,456	711,951	297,373
Venture Capital	74,732	822,370	102,277	42,721
Real Estate	80,683	887,854	110,423	46,122
Mortgage Loans	247	2,720	339	141
Invested Securities Lending Collateral	101,811	1,120,346	139,338	58,200
Investment Contracts	—	—	—	—
Total Investments	1,018,566	11,208,542	1,394,009	582,261
Fixed Assets:				
Land	127	1,393	173	72
Buildings and Improvements	726	7,990	994	413
Machinery and Equipment	209	2,295	285	119
Accumulated Depreciation	(418)	(4,601)	(572)	(238)
Total Fixed Assets	644	7,077	880	366
Total Assets	1,095,172	12,060,757	1,499,654	625,857
Liabilities				
Vouchers Payable	43,293	476,524	59,247	24,750
Leave/Postemployment Benefits	111	1,217	151	63
Securities Lending Liability	101,811	1,120,346	139,338	58,200
Insurance Reserves	3,537	38,925	4,840	2,022
Total Liabilities	148,752	1,637,012	203,576	85,035
Fund Balances				
Employee Deferred Compensation	—	—	—	—
Reserved For Pension Benefits	946,420	10,423,745	1,296,078	540,822
Total Fund Balances	\$ 946,420	\$ 10,423,745	\$ 1,296,078	\$ 540,822

Judges System	Governors and Legislative Pension Plan	Deferred Compensation 401(k) Plan	Total June 30, 2001
<u>\$ 3,800</u>	<u>\$ 514</u>	<u>\$ 820</u>	<u>\$ 582,351</u>
—	—	—	1,037
891	—	—	24,079
60	—	—	60
<u>3,078</u>	<u>416</u>	<u>20,777</u>	<u>491,924</u>
<u>4,029</u>	<u>416</u>	<u>20,777</u>	<u>517,100</u>
22,112	2,987	367,939	3,752,108
47,751	6,451	852,248	8,160,434
6,860	927	—	1,049,887
7,406	1,000	—	1,133,488
23	3	—	3,473
9,345	1,262	29,528	1,459,830
<u>—</u>	<u>—</u>	<u>38,217</u>	<u>38,217</u>
<u>93,497</u>	<u>12,630</u>	<u>1,287,932</u>	<u>15,597,437</u>
12	2	—	1,779
68	9	—	10,200
19	3	—	2,930
<u>(39)</u>	<u>(6)</u>	<u>—</u>	<u>(5,874)</u>
<u>60</u>	<u>8</u>	<u>0</u>	<u>9,035</u>
<u>101,386</u>	<u>13,568</u>	<u>1,309,529</u>	<u>16,705,923</u>
3,975	537	3,269	611,595
10	2	—	1,554
9,345	1,262	29,528	1,459,830
<u>325</u>	<u>43</u>	<u>—</u>	<u>49,692</u>
<u>13,655</u>	<u>1,844</u>	<u>32,797</u>	<u>2,122,671</u>
—	—	1,276,732	1,276,732
<u>87,731</u>	<u>11,724</u>	<u>—</u>	<u>13,306,520</u>
<u>\$ 87,731</u>	<u>\$ 11,724</u>	<u>\$ 1,276,732</u>	<u>\$ 14,583,252</u>

STATE OF UTAH

COMBINING BALANCE SHEET EXPENDABLE TRUST FUNDS

June 30, 2001

(Expressed in Thousands)

	Unemployment Compensation Trust	Deferred Compensation 457 Plan	Employers' Reinsurance Trust	Utah Navajo Trust	Restricted Trust	Total June 30, 2001
Assets						
Cash and Cash Equivalents	\$ 601,220	\$ 41	\$ 3,521	\$ 1,175	\$ 25,178	\$ 631,135
Investments	55	221,367	14,572	14,032	150,611	400,637
Receivables:						
Accounts, Net	24,756	—	—	1,879	3,020	29,655
Accrued Interest	—	—	—	4	4	8
Accrued Premiums Taxes	—	—	5,999	—	325	6,324
Due From Other Funds	1	—	—	72	21	94
Total Assets	\$ 626,032	\$ 221,408	\$ 24,092	\$ 17,162	\$ 179,159	\$ 1,067,853
Liabilities and Fund Balances						
Liabilities:						
Vouchers Payable	\$ 324	\$ 5,803	\$ 2	\$ 32	\$ 17,958	\$ 24,119
Deposits	55	—	—	—	—	55
Due to Other Funds	3,424	—	4	2	1,077	4,507
Deferred Revenue	19,008	—	—	1,603	336	20,947
Policy Claim Liabilities	3,257	—	313,955	—	89,042	406,254
Total Liabilities	26,068	5,803	313,961	1,637	108,413	455,882
Fund Balances:						
Reserved:						
Reserved for Unemployment Compensation Benefits	599,964	—	—	—	—	599,964
Reserved for Employee Deferred Compensation	—	215,605	—	—	—	215,605
Reserved for Utah Navajo Tribe	—	—	—	15,525	—	15,525
Reserved by Statute	—	—	—	—	70,746	70,746
Total Reserved	599,964	215,605	0	15,525	70,746	901,840
Unreserved Undesignated	—	—	(289,869)	—	—	(289,869)
Total Fund Balances	599,964	215,605	(289,869)	15,525	70,746	611,971
Total Liabilities and Fund Balances	\$ 626,032	\$ 221,408	\$ 24,092	\$ 17,162	\$ 179,159	\$ 1,067,853

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES EXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Unemployment Compensation Trust	Deferred Compensation 457 Plan	Employers' Reinsurance Trust	Utah Navajo Trust	Restricted Trust	Total June 30, 2001
Revenues:						
Federal Contracts and Grants	\$ 250	\$ —	\$ —	\$ —	\$ 4,162	\$ 4,412
Investment Income	40,479	(9,061)	(130)	930	2,072	34,290
Premiums/Employer Taxes	74,103	—	22,611	—	39,111	135,825
Plan/Participant Contributions	—	5,983	—	—	—	5,983
Miscellaneous	—	—	18,336	2,636	46,521	67,493
Total Revenues	<u>114,832</u>	<u>(3,078)</u>	<u>40,817</u>	<u>3,566</u>	<u>91,866</u>	<u>248,003</u>
Expenditures:						
General Government	—	—	—	—	21,940	21,940
Human Services/Claims	—	—	276	—	5,507	5,783
Health and Environmental Quality	—	—	—	—	49,856	49,856
Higher Education	—	—	—	—	608	608
Natural Resources	—	—	—	—	2,152	2,152
Business, Labor, and Agriculture	—	—	—	—	8,005	8,005
Community and Economic Development	—	—	—	1,797	138	1,935
Employment	138,172	—	—	—	—	138,172
Public Education	—	—	—	—	706	706
Plan Distributions	—	15,747	—	—	—	15,747
Plan Administration	—	558	—	—	—	558
Total Expenditures	<u>138,172</u>	<u>16,305</u>	<u>276</u>	<u>1,797</u>	<u>88,912</u>	<u>245,462</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,340)</u>	<u>(19,383)</u>	<u>40,541</u>	<u>1,769</u>	<u>2,954</u>	<u>2,541</u>
Other Financing Sources (Uses):						
Operating Transfers In	—	—	—	—	5,700	5,700
Operating Transfers Out	—	—	(324)	—	(13,129)	(13,453)
Total Other Financing (Uses)	<u>0</u>	<u>0</u>	<u>(324)</u>	<u>0</u>	<u>(7,429)</u>	<u>(7,753)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses . . .	<u>(23,340)</u>	<u>(19,383)</u>	<u>40,217</u>	<u>1,769</u>	<u>(4,475)</u>	<u>(5,212)</u>
Beginning Fund Balances	<u>623,304</u>	<u>234,988</u>	<u>(330,086)</u>	<u>13,756</u>	<u>75,221</u>	<u>617,183</u>
Ending Fund Balances	<u>\$ 599,964</u>	<u>\$ 215,605</u>	<u>\$ (289,869)</u>	<u>\$ 15,525</u>	<u>\$ 70,746</u>	<u>\$ 611,971</u>

STATE OF UTAH

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
TAXES AND SOCIAL SECURITY				
Assets				
Cash and Investments	\$ 1,979	\$ 224,502	\$ 224,269	\$ 2,212
Total Assets	<u>\$ 1,979</u>	<u>\$ 224,502</u>	<u>\$ 224,269</u>	<u>\$ 2,212</u>
Liabilities				
Due to Other Taxing Units	\$ 1,979	\$ 256	\$ 23	\$ 2,212
Total Liabilities	<u>\$ 1,979</u>	<u>\$ 256</u>	<u>\$ 23</u>	<u>\$ 2,212</u>
COUNTY AND LOCAL COLLECTIONS FUND				
Assets				
Cash and Investments	\$ 37,770	\$ 787,118	\$ 798,404	\$ 26,484
Due From Other Funds	5,700	58,771	57,660	6,811
Total Assets	<u>\$ 43,470</u>	<u>\$ 845,889</u>	<u>\$ 856,064</u>	<u>\$ 33,295</u>
Liabilities				
Due to Other Individuals or Groups	\$ 1,415	\$ 347	\$ 758	\$ 1,004
Due to Other Taxing Units	42,055	62,785	72,549	32,291
Total Liabilities	<u>\$ 43,470</u>	<u>\$ 63,132</u>	<u>\$ 73,307</u>	<u>\$ 33,295</u>
STATE COURTS FUND				
Assets				
Cash and Investments	\$ 14,814	\$ 30,944	\$ 27,411	\$ 18,347
Total Assets	<u>\$ 14,814</u>	<u>\$ 30,944</u>	<u>\$ 27,411</u>	<u>\$ 18,347</u>
Liabilities				
Due to Other Individuals or Groups	\$ 14,287	\$ 3,513	\$ —	\$ 17,800
Due to Other Taxing Units	527	4,123	4,103	547
Total Liabilities	<u>\$ 14,814</u>	<u>\$ 7,636</u>	<u>\$ 4,103</u>	<u>\$ 18,347</u>

Continues

	Balance June 30, 2000	Additions	Deductions	Balance June 30, 2001
DEPOSITS, SUSPENSE, AND MISCELLANEOUS				
Assets				
Cash and Investments	\$ 9,978	\$ 165,481	\$ 158,716	\$ 16,743
Receivables:				
Accounts	1	—	—	1
Due From Other Funds	103	3,434	3,306	231
Total Assets	<u>\$ 10,082</u>	<u>\$ 168,915</u>	<u>\$ 162,022</u>	<u>\$ 16,975</u>
Liabilities				
Due to Other Individuals or Groups	\$ 5,785	\$ 13,096	\$ 10,425	\$ 8,456
Due to Other Taxing Units	4,297	17,204	12,982	8,519
Total Liabilities	<u>\$ 10,082</u>	<u>\$ 30,300</u>	<u>\$ 23,407</u>	<u>\$ 16,975</u>
TOTAL ASSETS AND LIABILITIES — ALL AGENCY FUNDS				
Assets				
Cash and Investments	\$ 64,541	\$ 1,208,045	\$ 1,208,800	\$ 63,786
Receivables:				
Accounts	1	—	—	1
Due From Other Funds	5,803	62,205	60,966	7,042
Total Assets	<u>\$ 70,345</u>	<u>\$ 1,270,250</u>	<u>\$ 1,269,766</u>	<u>\$ 70,829</u>
Liabilities				
Due to Other Individuals or Groups	\$ 21,487	\$ 16,956	\$ 11,183	\$ 27,260
Due to Other Taxing Units	48,858	84,368	89,657	43,569
Total Liabilities	<u>\$ 70,345</u>	<u>\$ 101,324</u>	<u>\$ 100,840</u>	<u>\$ 70,829</u>

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STATE OF UTAH

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group

is a self-balancing set of accounts used to account for the State's "general government" fixed assets.

STATE OF UTAH

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

June 30, 2001

(Expressed in Thousands)

Function and Activity	Land	Buildings and Improvements	Equipment	Total General Fixed Assets June 30, 2001
General Government:				
Control:				
Legislative	\$ —	\$ —	\$ 839	\$ 839
Executive	—	—	1,287	1,287
Judicial	—	—	10,937	10,937
Total Control	<u>0</u>	<u>0</u>	<u>13,063</u>	<u>13,063</u>
Government Operations:				
Administrative Services (A)	59,296	669,705	12,774	741,775
Tax Commission	—	—	30,466	30,466
Workforce Services	—	—	4,928	4,928
Total Government Operations	<u>59,296</u>	<u>669,705</u>	<u>48,168</u>	<u>777,169</u>
Total General Government	<u>59,296</u>	<u>669,705</u>	<u>61,231</u>	<u>790,232</u>
Business, Labor, and Agriculture:				
Agriculture	—	—	2,312	2,312
Commerce	—	—	1,716	1,716
Financial Institutions	—	—	258	258
Labor Commission	—	—	439	439
Insurance Department	—	—	714	714
Public Service Commission	—	—	75	75
Total Business, Labor, and Agriculture	<u>0</u>	<u>0</u>	<u>5,514</u>	<u>5,514</u>
Natural Resources	91,333	96,780	15,666	203,779
Higher Education	—	—	202	202
Public Education	2,645	78,569	25,274	106,488
Human Services	—	313	5,931	6,244
Corrections	—	—	10,282	10,282
Health	—	—	11,896	11,896
Public Safety	3,171	21,747	18,548	43,466
Transportation	20,530	85,606	104,475	210,611
Community and Economic Development	—	—	1,383	1,383
Utah Navajo Trust Fund	264	4,571	187	5,022
Total General Fixed Assets Allocated to Functions	<u>\$ 177,239</u>	<u>\$ 957,291</u>	<u>\$ 260,589</u>	<u>1,395,119</u>
Construction-In-Progress				<u>22,611</u>
Total General Fixed Assets				<u>\$ 1,417,730</u>

(A) Administrative Services' assets include the general buildings and land of the State.

STATE OF UTAH

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

Function and Activity	General Fixed Assets June 30, 2000	Transfers (C)	Additions	Retirements	General Fixed Assets June 30, 2001
General Government:					
Control:					
Legislative	\$ 835	\$ —	\$ 86	\$ 82	\$ 839
Executive	1,444	—	647	804	1,287
Judicial	165,468	(151,023)	5,526	9,034	10,937
Total Control	167,747	(151,023)	6,259	9,920	13,063
Government Operations:					
Administrative Services (A)	172,118	545,819	26,241	2,403	741,775
Tax Commission	40,289	(13,890)	4,097	30	30,466
Workforce Services	41,147	(28,800)	1,544	8,963	4,928
Total Government Operations	253,554	503,129	31,882	11,396	777,169
Total General Government	421,301	352,106	38,141	21,316	790,232
Business, Labor, and Agriculture:					
Agriculture	12,149	(9,826)	325	336	2,312
Commerce	1,671	—	80	35	1,716
Financial Institutions	320	—	14	76	258
Labor Commission	545	—	22	128	439
Insurance Department	411	—	349	46	714
Public Service Commission	97	—	5	27	75
Total Business, Labor, and Agriculture	15,193	(9,826)	795	648	5,514
Natural Resources	190,249	(15,419)	36,283	7,334	203,779
Higher Education	202	—	5	5	202
Public Education	101,677	—	7,047	2,236	106,488
Human Services	147,205	(135,652)	1,263	6,572	6,244
Corrections	181,670	(164,242)	1,107	8,253	10,282
Health	21,600	(10,841)	2,408	1,271	11,896
Public Safety	47,446	(4,126)	4,948	4,802	43,466
Transportation	196,660	—	15,480	1,529	210,611
Community and Economic Development	14,733	(12,000)	275	1,625	1,383
Utah Navajo Trust Fund	4,014	—	1,008	—	5,022
Total General Fixed Assets					
Allocated to Functions	1,341,950	0	108,760	55,591	1,395,119
Construction-In-Progress (B)	30,284	—	50,657	58,330	22,611
Total General Fixed Assets	\$ 1,372,234	\$ 0	\$ 159,417	\$ 113,921	\$ 1,417,730

(A) Administrative Services' assets include the general buildings and land of the State.

(B) Retirements of Construction-In-Progress are transferred as additions to Land and Buildings.

(C) During the fiscal year, various properties were reclassified as general buildings and land and transferred to Administrative Services.

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STATE OF UTAH

COMPONENT UNITS

The Component Units

are organizations that are legally separate from the State of Utah, for which the State is financially accountable, or for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading or incomplete. They are presented here in two separate reporting groups: College and University Funds and Proprietary Fund Types.

College and University Funds:

College and University Funds

These funds are maintained to account for the operations of public institutions of higher education. These institutions maintain their own financial records that are not part of the central accounting system of the State. The four universities and five colleges that make up the institutions of higher education are:

- University of Utah
- Utah State University
- Weber State University
- Southern Utah University
- Salt Lake Community College
- Utah Valley State College
- Dixie State College of Utah
- College of Eastern Utah
- Snow College

Proprietary Fund Types:

Utah Housing Corporation

The Corporation was created by the Legislature to provide an alternative source of funding for home mortgages, particularly for lower income families. The Corporation is funded entirely through the issuance of bonds, which are repaid from the interest and principal payments made on mortgages.

Technology Finance Corporation

The Corporation was authorized by the Utah Technology and Innovation Act and was incorporated as a nonprofit corporation in 1983. The purpose of the Corporation is to encourage and assist in the development, promotion, and growth of technological and innovative emerging and developing small businesses throughout the State of Utah.

Comprehensive Health Insurance Pool

The Pool was created by the Legislature as a nonprofit quasi-governmental entity to provide access to health insurance coverage for residents of the State who are considered uninsurable. Ongoing operating costs are recovered through premium charges supplemented with appropriations from the General Fund.

Heber Valley Historic Railroad Authority

The Authority was created by the Legislature to operate, maintain, improve, and provide for a scenic and historic railway in and around the Heber Valley in Wasatch County. Operations are funded primarily through user charges.

Utah Science Center Authority

The Authority was created by the Legislature to provide a means to foster the development of science, arts, tourism, cultural, and educational facilities in order to further the welfare of the citizens of the State and its economic growth.

Utah State Fair Corporation

The Corporation was created by the Legislature to operate the State Fair Park and conduct the Utah State Fair and other expositions and entertainment events. Operations are funded by admissions, rentals, donations, and state appropriations.

STATE OF UTAH

COMBINING BALANCE SHEET

COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

June 30, 2001

(Expressed in Thousands)

	University of Utah	Utah State University	Weber State University	Southern Utah University
Assets				
Cash and Cash Equivalents	\$ —	\$ 106,549	\$ —	\$ —
Investments	654,791	67,248	79,956	22,907
Receivables:				
Accounts, Net	175,104	74,883	2,973	5,170
Notes	49,878	12,353	7,481	2,297
Accrued Interest	4,519	204	237	64
Due From Primary Government	1,154	—	—	—
Inventories	19,880	3,947	1,775	864
Prepaid Items	34,213	1,223	1,863	3,104
Land	17,604	9,378	6,980	7,548
Buildings and Improvements	1,010,928	301,711	148,244	115,449
Machinery and Equipment	548,568	143,538	50,561	22,474
Accumulated Depreciation	(14,919)	(183,424)	—	—
Construction-In-Progress	106,936	18,007	13,743	—
Total Assets	\$ 2,608,656	\$ 555,617	\$ 313,813	\$ 179,877
Liabilities and Fund Balances				
Liabilities:				
Vouchers Payable	\$ 38,747	\$ 19,722	\$ 499	\$ 735
Contracts Payable	80,533	728	741	560
Accrued Liabilities	43,860	13,640	2,105	151
Deposits	37,676	13,012	—	106
Due to Primary Government	17,720	896	5,446	—
Due to Other Individuals or Groups	2,225	6,517	—	56
Deferred Revenue	36,896	6,016	5,588	4,839
Notes Payable	11,242	3,150	—	809
Revenue Bonds Payable	227,593	27,895	6,680	8,660
Leave/Postemployment Benefits	24,332	14,326	4,386	2,335
Total Liabilities	520,824	105,902	25,445	18,251
Fund Balances:				
Investment in Fixed Assets	1,330,293	257,386	211,612	136,569
Reserved for:				
Restricted Fund Balances	321,742	112,974	31,793	12,093
Endowment and Similar Funds	213,798	38,459	23,967	4,798
Unreserved:				
Designated	221,999	40,896	6,284	8,166
Undesignated	—	—	14,712	—
Total Fund Balances	2,087,832	449,715	288,368	161,626
Total Liabilities and Fund Balances	\$ 2,608,656	\$ 555,617	\$ 313,813	\$ 179,877

Salt Lake Community College	Utah Valley State College	Dixie State College	College of Eastern Utah	Snow College	Total June 30, 2001
\$ —	\$ 1,158	\$ 1,322	\$ 107	\$ —	\$ 109,136
55,158	53,220	26,776	13,546	11,093	984,695
18,712	11,086	5,356	2,373	15,576	311,233
3,852	1,703	484	—	82	78,130
6	—	3	18	20	5,071
—	—	—	—	—	1,154
2,784	1,246	749	438	338	32,021
890	7,770	382	198	18	49,661
8,929	4,203	5,515	1,033	1,425	62,615
123,524	99,510	58,709	39,815	52,474	1,950,364
19,889	17,865	6,490	13,507	11,700	834,592
—	—	—	—	—	(198,343)
3,750	31,072	232	494	11,277	185,511
<u>\$ 237,494</u>	<u>\$ 228,833</u>	<u>\$ 106,018</u>	<u>\$ 71,529</u>	<u>\$ 104,003</u>	<u>\$ 4,405,840</u>
\$ 1,255	\$ 454	\$ 930	\$ 424	\$ 733	\$ 63,499
683	1,892	587	—	—	85,724
2,868	3,178	29	424	—	66,255
522	125	309	28	261	52,039
1,853	1,803	—	1,698	523	29,939
—	—	7	61	—	8,866
5,207	4,208	550	750	425	64,479
—	2,525	6,161	3,013	—	26,900
11,615	25,310	2,220	1,135	—	311,108
3,207	2,331	1,004	1,642	1,240	54,803
<u>27,210</u>	<u>41,826</u>	<u>11,797</u>	<u>9,175</u>	<u>3,182</u>	<u>763,612</u>
155,963	141,528	62,566	49,003	76,353	2,421,273
18,058	23,769	14,624	2,525	16,752	554,330
170	4,985	11,387	12,754	2,796	313,114
28,697	2,774	3,040	—	2,375	314,231
7,396	13,951	2,604	(1,928)	2,545	39,280
<u>210,284</u>	<u>187,007</u>	<u>94,221</u>	<u>62,354</u>	<u>100,821</u>	<u>3,642,228</u>
<u>\$ 237,494</u>	<u>\$ 228,833</u>	<u>\$ 106,018</u>	<u>\$ 71,529</u>	<u>\$ 104,003</u>	<u>\$ 4,405,840</u>

STATE OF UTAH

COMBINING STATEMENT OF CHANGES IN FUND BALANCES COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	University of Utah	Utah State University	Weber State University	Southern Utah University
Revenues and Other Additions:				
Unrestricted Educational and General Revenues	\$ 403,215	\$ 79,299	\$ 41,807	\$ 23,664
Auxiliary Enterprises Revenues	66,373	29,353	12,767	5,782
Hospital Sales and Services	361,429	—	—	—
Foundations and Other Component Units	154,756	—	—	2,954
Tuition and Fees — Restricted	12,710	16,228	1,436	195
Private Gifts, Grants, and Contracts	152,097	49,767	16,984	4,457
Governmental Grants and Contracts	183,671	149,375	14,599	12,756
Federal Appropriations	—	4,252	—	—
Investment and Endowment Income	(6,070)	4,680	(974)	570
Interest on Loans Receivable	684	262	149	64
Expended for Plant Facilities (including \$61,859 from current funds)	105,940	38,662	18,322	23,860
Retirement of Indebtedness (including \$829 from current funds)	52,560	3,450	734	2,186
Other	5,262	1,557	201	219
Total Revenues and Other Additions	<u>1,492,627</u>	<u>376,885</u>	<u>106,025</u>	<u>76,707</u>
Expenditures and Other Deductions:				
Educational and General Expenditures	862,260	325,973	105,970	59,285
Auxiliary Enterprises Expenditures	58,465	28,527	14,947	5,724
Hospital Expenditures	349,865	—	—	—
Foundations and Other Component Units	132,959	—	—	2,433
Indirect Costs Recovered	45,997	15,590	180	384
Depreciation	—	16,494	—	—
Refunded to Grantors	—	44	5	—
Loan Cancellations and Write-Offs	753	192	(44)	89
Administrative and Collection Costs	304	1,544	—	—
Expended for Plant Facilities (including noncapitalized expenditures of \$15,046)	70,180	29,479	14,214	23,645
Retirement of Indebtedness	52,560	2,621	734	2,186
Interest on Indebtedness	15,796	1,649	349	565
Increase in Debt	—	2,052	—	—
Disposal of Plant Facilities	21,500	5,337	2,263	1,160
Other	241	3,387	—	—
Total Expenditures and Other Deductions	<u>1,610,880</u>	<u>432,889</u>	<u>138,618</u>	<u>95,471</u>
Transfers Among Funds:				
Operating Transfers In from Primary Government	201,923	123,313	53,768	24,588
Net Increase (Decrease) in Fund Balances	<u>83,670</u>	<u>67,309</u>	<u>21,175</u>	<u>5,824</u>
Beginning Fund Balances	2,004,162	560,969	267,193	155,802
Adjustments to Beginning Fund Balances — Prior Years' Fixed Asset Accumulated Depreciation and Asset Valuation	—	(178,563)	—	—
Adjusted Beginning Fund Balances	<u>2,004,162</u>	<u>382,406</u>	<u>267,193</u>	<u>155,802</u>
Ending Fund Balances	<u>\$ 2,087,832</u>	<u>\$ 449,715</u>	<u>\$ 288,368</u>	<u>\$ 161,626</u>

Salt Lake Community College	Utah Valley State College	Dixie State College	College of Eastern Utah	Snow College	Total June 30, 2001
\$ 33,716	\$ 42,557	\$ 9,204	\$ 4,950	\$ 7,422	\$ 645,834
9,913	11,804	2,564	2,808	1,709	143,073
—	—	—	—	—	361,429
987	6,442	5,143	27	—	170,309
3,185	2,123	589	317	214	36,997
14,265	1,705	1,798	572	12,084	253,729
14,913	21,984	7,525	6,699	8,625	420,147
—	—	—	—	—	4,252
456	955	(981)	(268)	(73)	(1,705)
67	—	43	10	20	1,299
15,138	23,913	983	1,306	2,608	230,732
1,334	772	378	307	—	61,721
280	498	393	103	76	8,589
<u>94,254</u>	<u>112,753</u>	<u>27,639</u>	<u>16,831</u>	<u>32,685</u>	<u>2,336,406</u>
94,919	95,011	30,325	23,258	27,254	1,624,255
9,639	11,207	2,593	3,362	1,880	136,344
—	—	—	—	—	349,865
159	3,071	836	1	—	139,459
132	—	56	94	133	62,566
—	—	—	—	—	16,494
—	—	—	—	1	50
360	—	44	72	13	1,479
—	8	—	38	2	1,896
15,541	24,649	1,989	872	3,350	183,919
1,334	772	378	307	—	60,892
792	1,624	458	259	—	21,492
—	—	—	—	—	2,052
25,568	413	447	1,748	41	58,477
511	—	—	11	—	4,150
<u>148,955</u>	<u>136,755</u>	<u>37,126</u>	<u>30,022</u>	<u>32,674</u>	<u>2,663,390</u>
50,326	36,551	15,557	11,644	15,884	533,554
<u>(4,375)</u>	<u>12,549</u>	<u>6,070</u>	<u>(1,547)</u>	<u>15,895</u>	<u>206,570</u>
214,659	174,458	88,151	63,901	84,926	3,614,221
—	—	—	—	—	(178,563)
<u>214,659</u>	<u>174,458</u>	<u>88,151</u>	<u>63,901</u>	<u>84,926</u>	<u>3,435,658</u>
<u>\$ 210,284</u>	<u>\$ 187,007</u>	<u>\$ 94,221</u>	<u>\$ 62,354</u>	<u>\$ 100,821</u>	<u>\$ 3,642,228</u>

STATE OF UTAH

COMBINING STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES — UNRESTRICTED COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	University of Utah	Utah State University	Weber State University	Southern Utah University
Revenues:				
Educational and General:				
Tuition and Fees	\$ 74,148	\$ 51,734	\$ 34,536	\$ 12,968
Governmental Grants and Contracts	46,730	13,276	1,183	917
Private Gifts, Grants, and Contracts	184	2,399	1,549	52
Investment and Endowment Income	11,496	2,451	2,986	1,078
Sales and Services of Educational Departments	269,245	6,752	1,078	8,649
Other	1,412	2,687	475	—
Total Educational and General Revenues	403,215	79,299	41,807	23,664
Hospital Sales and Services	361,429	—	—	—
Auxiliary Enterprises Revenues	66,373	29,353	12,767	5,782
Total Revenues	831,017	108,652	54,574	29,446
Expenditures and Mandatory Transfers:				
Educational and General:				
Instruction	149,482	74,664	45,083	17,977
Research	28,903	4,434	123	—
Public Service	264,998	2,756	440	5,480
Academic Support	49,298	20,259	9,645	3,986
Student Services	14,169	6,399	7,949	5,778
Institution Support	45,068	25,643	12,999	5,981
Operation and Maintenance of Plant	38,225	21,320	8,894	4,983
Student Aid	5,044	7,827	2,810	2,280
Total Educational and General Expenditures	595,187	163,302	87,943	46,465
Hospital Expenditures	349,231	—	—	—
Auxiliary Enterprises Expenditures	56,478	28,030	14,947	5,654
Mandatory Transfers, Net Out (In)	28,600	3,596	—	1,343
Total Expenditures and Mandatory Transfers	1,029,496	194,928	102,890	53,462
Other Transfers and Additions (Deductions):				
Nonmandatory Transfers, Net	9,080	635	(1,716)	63
Operating Transfers from Primary Government	174,267	92,702	52,605	24,360
Other	—	(2,430)	—	—
Total Other Transfers and Additions	183,347	90,907	50,889	24,423
Net Increase (Decrease) in Fund Balances	\$ (15,132)	\$ 4,631	\$ 2,573	\$ 407

Salt Lake Community College	Utah Valley State College	Dixie State College	College of Eastern Utah	Snow College	Total Unrestricted June 30, 2001
\$ 28,736	\$ 35,684	\$ 7,803	\$ 2,911	\$ 4,227	\$ 252,747
—	229	151	94	134	62,714
229	87	5	18	917	5,440
3,060	1,522	526	51	810	23,980
323	445	—	460	541	287,493
1,368	4,590	719	1,416	793	13,460
33,716	42,557	9,204	4,950	7,422	645,834
—	—	—	—	—	361,429
9,913	11,804	2,564	2,808	1,709	143,073
43,629	54,361	11,768	7,758	9,131	1,150,336
38,103	36,887	10,698	6,677	10,098	389,669
—	—	—	—	—	33,460
202	144	901	112	221	275,254
6,468	7,463	1,657	1,492	1,883	102,151
8,281	8,212	2,674	2,048	2,746	58,256
12,073	12,692	2,857	2,725	3,803	123,841
10,012	6,924	3,631	1,822	3,142	98,953
1,076	2,624	1,296	1,081	627	24,665
76,215	74,946	23,714	15,957	22,520	1,106,249
—	—	—	—	—	349,231
9,639	11,207	2,593	3,362	1,880	133,790
195	—	19	317	—	34,070
86,049	86,153	26,326	19,636	24,400	1,623,340
(3,438)	(161)	(703)	26	65	3,851
46,724	36,551	15,445	11,135	15,853	469,642
30	(441)	—	—	—	(2,841)
43,316	35,949	14,742	11,161	15,918	470,652
\$ 896	\$ 4,157	\$ 184	\$ (717)	\$ 649	\$ (2,352)

STATE OF UTAH

COMBINING STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES — RESTRICTED COMPONENT UNITS — COLLEGE AND UNIVERSITY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	University of Utah	Utah State University	Weber State University	Southern Utah University
Revenues:				
Educational and General:				
Tuition and Fees	\$ 9,565	\$ 6,304	\$ 84	\$ —
Federal Appropriations	—	4,311	—	—
Governmental Grants and Contracts	132,934	92,209	12,051	10,525
Private Gifts, Grants, and Contracts	83,379	19,886	3,440	1,808
Investment and Endowment Income	14,106	1,601	1,105	282
Sales and Services of Educational Departments	—	7,472	—	—
Other	2,054	882	52	—
Total Educational and General Revenues	<u>242,038</u>	<u>132,665</u>	<u>16,732</u>	<u>12,615</u>
Expenditures and Mandatory Transfers:				
Educational and General:				
Instruction	39,571	17,323	538	609
Research	130,126	87,864	350	—
Public Service	60,212	31,466	1,856	5,014
Academic Support	12,221	2,803	2,923	370
Student Services	599	2,195	2,215	453
Institution Support	5,128	1,869	358	77
Operation and Maintenance of Plant	3,326	817	4	31
Student Aid	15,890	18,442	9,651	6,218
Total Educational and General Expenditures	<u>267,073</u>	<u>162,779</u>	<u>17,895</u>	<u>12,772</u>
Hospital Expenditures	634	—	—	—
Auxiliary Enterprises Expenditures	1,987	497	—	70
Mandatory Transfers, Net Out (In)	<u>(2,993)</u>	<u>—</u>	<u>—</u>	<u>1</u>
Total Expenditures and Mandatory Transfers	<u>266,701</u>	<u>163,276</u>	<u>17,895</u>	<u>12,843</u>
Other Transfers and Additions (Deductions):				
Excess of Restricted Receipts Over				
(Under) Transfers to Revenues	23,718	14,124	1,438	(364)
Refunded to Grantors	—	(44)	(5)	—
Nonmandatory Transfers, Net	(5,352)	(6,997)	(16)	324
Operating Transfers from Primary Government	27,656	30,611	1,163	228
Other	—	(398)	—	—
Total Other Transfers and Additions	<u>46,022</u>	<u>37,296</u>	<u>2,580</u>	<u>188</u>
Net Increase (Decrease) in Fund Balances	<u>\$ 21,359</u>	<u>\$ 6,685</u>	<u>\$ 1,417</u>	<u>\$ (40)</u>

Salt Lake Community College	Utah Valley State College	Dixie State College	College of Eastern Utah	Snow College	Total Restricted June 30, 2001
\$ 1,364	\$ —	\$ —	\$ —	\$ 5	\$ 17,322
—	—	—	—	—	4,311
12,562	19,108	5,407	5,983	4,517	295,296
1,061	761	367	903	14	111,619
7	—	284	—	104	17,489
—	—	—	—	—	7,472
108	158	380	—	50	3,684
<u>15,102</u>	<u>20,027</u>	<u>6,438</u>	<u>6,886</u>	<u>4,690</u>	<u>457,193</u>
5,615	2,491	242	681	1,046	68,116
—	—	—	—	23	218,363
1,383	103	1,637	1,501	699	103,871
249	2,328	357	781	314	22,346
2,205	3,625	408	1,197	71	12,968
680	1,313	1	94	8	9,528
260	—	83	1	14	4,536
<u>8,312</u>	<u>10,167</u>	<u>3,822</u>	<u>3,140</u>	<u>2,559</u>	<u>78,201</u>
18,704	20,027	6,550	7,395	4,734	517,929
—	—	—	—	—	634
—	—	—	—	—	2,554
—	—	4	—	—	(2,988)
<u>18,704</u>	<u>20,027</u>	<u>6,554</u>	<u>7,395</u>	<u>4,734</u>	<u>518,129</u>
(131)	544	(263)	(48)	212	39,230
—	—	—	—	—	(49)
12	157	310	86	(59)	(11,535)
3,602	—	112	509	31	63,912
258	—	—	—	—	(140)
<u>3,741</u>	<u>701</u>	<u>159</u>	<u>547</u>	<u>184</u>	<u>91,418</u>
<u>\$ 139</u>	<u>\$ 701</u>	<u>\$ 43</u>	<u>\$ 38</u>	<u>\$ 140</u>	<u>\$ 30,482</u>

STATE OF UTAH

COMBINING BALANCE SHEET

COMPONENT UNITS — PROPRIETARY FUNDS

June 30, 2001

(Expressed in Thousands)

	Utah Housing Corporation	Technology Finance Corporation	Comprehensive Health Insurance
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 1,683	\$ 5,498	\$ 13,109
Short-Term Investments	272,927	—	—
Receivables:			
Accounts	—	84	54
Notes	16,008	2,152	—
Accrued Interest	7,833	38	—
Inventories	—	—	—
Prepaid Items	888	—	—
Total Current Assets	<u>299,339</u>	<u>7,772</u>	<u>13,163</u>
Other Assets:			
Other Investments	95,357	—	—
Notes/Mortgages Receivable Due After One Year	940,822	7,303	—
Deferred Charges Due After One Year	16,799	—	—
Total Other Assets	<u>1,052,978</u>	<u>7,303</u>	<u>0</u>
Fixed Assets:			
Land	250	390	—
Buildings and Improvements	1,302	263	—
Machinery and Equipment	990	387	—
Accumulated Depreciation	(1,153)	(413)	—
Total Fixed Assets	<u>1,389</u>	<u>627</u>	<u>0</u>
Total Assets	<u><u>\$ 1,353,706</u></u>	<u><u>\$ 15,702</u></u>	<u><u>\$ 13,163</u></u>
Liabilities and Fund Equity			
Liabilities:			
Current Liabilities:			
Vouchers Payable	\$ 4,312	\$ 177	\$ 210
Accrued Liabilities Due Within One Year	30,506	—	31
Deposits	—	—	—
Due to Primary Government	—	—	—
Deferred Revenue Due Within One Year	—	—	209
Policy Claim Liabilities Due Within One Year	—	—	1,438
Notes Payable Due Within One Year	—	66	—
Revenue Bonds Payable Due Within One Year	96,148	—	—
Total Current Liabilities	<u>130,966</u>	<u>243</u>	<u>1,888</u>
Long-Term Liabilities:			
Accrued Liabilities Due After One Year	1,842	—	—
Notes Payable Due After One Year	—	1,675	—
Revenue Bonds Payable Due After One Year	1,046,951	—	—
Total Long-Term Liabilities	<u>1,048,793</u>	<u>1,675</u>	<u>0</u>
Total Liabilities	<u>1,179,759</u>	<u>1,918</u>	<u>1,888</u>
Fund Equity:			
Contributed Working Capital	—	3,192	—
Retained Earnings	173,947	10,592	11,275
Total Fund Equity	<u>173,947</u>	<u>13,784</u>	<u>11,275</u>
Total Liabilities and Fund Equity	<u><u>\$ 1,353,706</u></u>	<u><u>\$ 15,702</u></u>	<u><u>\$ 13,163</u></u>

Heber Valley Historic Railroad Authority	Utah Science Center Authority	Utah State Fair Corporation	Total June 30, 2001
\$ 81	\$ 24	\$ 1,380	\$ 21,775
—	—	546	273,473
36	—	46	220
—	—	—	18,160
—	—	—	7,871
32	—	—	32
—	—	8	896
<u>149</u>	<u>24</u>	<u>1,980</u>	<u>322,427</u>
—	—	—	95,357
—	—	—	948,125
—	—	—	16,799
<u>0</u>	<u>0</u>	<u>0</u>	<u>1,060,281</u>
111	—	—	751
1,059	—	293	2,917
1,195	87	1,286	3,945
(475)	(69)	(1,111)	(3,221)
<u>1,890</u>	<u>18</u>	<u>468</u>	<u>4,392</u>
<u>\$ 2,039</u>	<u>\$ 42</u>	<u>\$ 2,448</u>	<u>\$ 1,387,100</u>
\$ 83	\$ —	\$ 44	\$ 4,826
31	—	79	30,647
24	—	—	24
—	—	2	2
—	—	84	293
—	—	—	1,438
119	—	—	185
—	—	—	96,148
<u>257</u>	<u>0</u>	<u>209</u>	<u>133,563</u>
—	—	—	1,842
200	—	—	1,875
—	—	—	1,046,951
<u>200</u>	<u>0</u>	<u>0</u>	<u>1,050,668</u>
<u>457</u>	<u>0</u>	<u>209</u>	<u>1,184,231</u>
—	—	756	3,948
1,582	42	1,483	198,921
<u>1,582</u>	<u>42</u>	<u>2,239</u>	<u>202,869</u>
<u>\$ 2,039</u>	<u>\$ 42</u>	<u>\$ 2,448</u>	<u>\$ 1,387,100</u>

STATE OF UTAH

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS COMPONENT UNITS — PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Utah Housing Corporation	Technology Finance Corporation	Comprehensive Health Insurance
Operating Revenues:			
Investment Earnings	\$ 18,929	\$ —	\$ —
Charges for Services/Premiums/Royalties	—	36	6,715
Interest on Notes/Mortgages	65,112	1,134	—
Miscellaneous	3,850	170	—
Total Operating Revenues	<u>87,891</u>	<u>1,340</u>	<u>6,715</u>
Operating Expenses:			
Administration	6,639	1,276	864
Maintenance	—	—	—
Interest	67,135	—	—
Depreciation	240	56	—
Benefit Claims	—	—	8,543
Supplies and Other Miscellaneous	—	7	66
Total Operating Expenses	<u>74,014</u>	<u>1,339</u>	<u>9,473</u>
Total Operating Income (Loss)	<u>13,877</u>	<u>1</u>	<u>(2,758)</u>
Non-Operating Income (Expenses):			
Investment Earnings	—	376	1,101
Federal Grants	—	11	—
Other Income (Expenses)	—	(69)	(14)
Total Non-Operating Income (Expenses)	<u>0</u>	<u>318</u>	<u>1,087</u>
Income (Loss) Before Operating Transfers	<u>13,877</u>	<u>319</u>	<u>(1,671)</u>
Operating Transfers In from Primary Government	—	—	3,135
Operating Transfers Out to Primary Government	—	(526)	(1,000)
Net Income (Loss)	<u>13,877</u>	<u>(207)</u>	<u>464</u>
Beginning Retained Earnings	160,070	10,799	10,811
Adjustments to Beginning Retained Earnings:			
Component Unit No Longer Included for Fair Presentation	—	—	—
Beginning Retained Earnings as Adjusted	<u>160,070</u>	<u>10,799</u>	<u>10,811</u>
Ending Retained Earnings	<u>\$ 173,947</u>	<u>\$ 10,592</u>	<u>\$ 11,275</u>

Heber Valley Historic Railroad Authority	Utah Science Center Authority	Utah State Fair Corporation	Component Unit No Longer Reported: Workers' Compensation	Total June 30, 2001
\$ —	\$ —	\$ —	\$ —	\$ 18,929
971	25	3,680	—	11,427
—	—	—	—	66,246
—	—	26	—	4,046
<u>971</u>	<u>25</u>	<u>3,706</u>	<u>0</u>	<u>100,648</u>
895	24	2,889	—	12,587
21	—	639	—	660
37	—	—	—	67,172
75	9	71	—	451
—	—	—	—	8,543
219	—	630	—	922
<u>1,247</u>	<u>33</u>	<u>4,229</u>	<u>0</u>	<u>90,335</u>
<u>(276)</u>	<u>(8)</u>	<u>(523)</u>	<u>0</u>	<u>10,313</u>
9	1	130	—	1,617
—	—	—	—	11
753	—	(10)	—	660
<u>762</u>	<u>1</u>	<u>120</u>	<u>0</u>	<u>2,288</u>
<u>486</u>	<u>(7)</u>	<u>(403)</u>	<u>0</u>	<u>12,601</u>
—	—	590	—	3,725
—	—	—	—	(1,526)
<u>486</u>	<u>(7)</u>	<u>187</u>	<u>0</u>	<u>14,800</u>
1,096	49	1,296	259,252	443,373
—	—	—	(259,252)	(259,252)
<u>1,096</u>	<u>49</u>	<u>1,296</u>	<u>0</u>	<u>184,121</u>
<u>\$ 1,582</u>	<u>\$ 42</u>	<u>\$ 1,483</u>	<u>\$ 0</u>	<u>\$ 198,921</u>

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS COMPONENT UNITS — PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in Thousands)

	Utah Housing Corporation	Technology Finance Corporation	Comprehensive Health Insurance
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from Customers/Loan Interest/Fees/Premiums/Royalties	\$ 67,964	\$ 1,345	\$ 6,702
Receipts from Loan Maturities	118,163	3,868	—
Receipts from State Customers	—	—	—
Payments to Suppliers/Claims/Grants	(1,803)	(302)	(9,183)
Disbursements for Loans Receivable	(168,881)	(6,161)	—
Payments for Employee Services and Benefits	(2,176)	(657)	—
Net Cash Provided (Used) by Operating Activities	<u>13,267</u>	<u>(1,907)</u>	<u>(2,481)</u>
Cash Flows from Noncapital Financing Activities:			
Repayments Under Revolving Loans	—	(406)	—
Receipts from Bonds, Notes, Advances, and Deposits	200,123	—	—
Payments of Bonds, Notes, Advances, and Deposits	(150,992)	—	—
Interest Paid on Bonds, Notes, and Financing Costs	(66,507)	(33)	—
Federal Grants and Other.	—	12	—
Operating Transfers In from Primary Government	—	—	3,135
Operating Transfers Out to Primary Government	—	(526)	(1,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(17,376)</u>	<u>(953)</u>	<u>2,135</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(867)	—	—
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(867)</u>	<u>0</u>	<u>0</u>
Cash Flows from Investing Activities:			
Proceeds from the Sale and Maturity of Investments	394,440	—	—
Receipts of Interest and Dividends from Investments	19,112	367	1,101
Payments to Purchase Investments	(408,749)	—	—
Net Cash Provided (Used) by Investing Activities	<u>4,803</u>	<u>367</u>	<u>1,101</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(173)	(2,493)	755
Beginning Cash and Cash Equivalents	<u>1,856</u>	<u>7,991</u>	<u>12,354</u>
Ending Cash and Cash Equivalents	<u>\$ 1,683</u>	<u>\$ 5,498</u>	<u>\$ 13,109</u>

Heber Valley Historic Railroad Authority	Utah Science Center Authority	Utah State Fair Corporation	Total June 30, 2001
\$ 939	\$ 25	\$ 3,693	\$ 80,668
—	—	—	122,031
—	—	—	0
(517)	(24)	(2,621)	(14,450)
—	—	—	(175,042)
(575)	—	(1,535)	(4,943)
<u>(153)</u>	<u>1</u>	<u>(463)</u>	<u>8,264</u>
—	—	—	(406)
—	—	—	200,123
(24)	—	—	(151,016)
(37)	—	—	(66,577)
753	—	—	765
—	—	590	3,725
—	—	—	(1,526)
<u>692</u>	<u>0</u>	<u>590</u>	<u>(14,912)</u>
(487)	—	(249)	(1,603)
<u>(487)</u>	<u>0</u>	<u>(249)</u>	<u>(1,603)</u>
—	—	—	394,440
9	1	130	20,720
—	—	(39)	(408,788)
<u>9</u>	<u>1</u>	<u>91</u>	<u>6,372</u>
61	2	(31)	(1,879)
20	22	1,411	23,654
<u>\$ 81</u>	<u>\$ 24</u>	<u>\$ 1,380</u>	<u>\$ 21,775</u>

Continues

STATE OF UTAH

COMBINING STATEMENT OF CASH FLOWS COMPONENT UNITS — PROPRIETARY FUNDS

Continued

For the Fiscal Year Ended June 30, 2001

	Utah Housing Corporation	Technology Finance Corporation	Comprehensive Health Insurance
Reconciliation of Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Total Operating Income (Loss)	\$ 13,877	\$ 1	\$ (2,758)
Adjustments to Reconcile Total Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Not Requiring Cash	240	56	—
Provision for Uncollectible Accounts	—	398	—
Interest Expense for Noncapital and Capital Financing	63,507	—	—
Revenue from Non-Operating Investment and Other Activities	(18,929)	—	—
Miscellaneous Gains, Losses, and Other Items Not Requiring Cash	3,273	(38)	—
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable/ Due From Other Funds	—	59	(4)
(Increase) Decrease in Accrued Interest/Notes Receivable	(51,495)	(2,418)	—
(Increase) Decrease in Prepaid Items	1,011	—	—
(Decrease) Increase in Vouchers Payable/Accrued Liabilities/Due to Other Funds	1,783	35	(128)
(Decrease) Increase in Deferred Revenue/Deposits	—	—	4
(Decrease) Increase in Policy Claim Liabilities	—	—	405
Net Cash Provided (Used) by Operating Activities	<u>\$ 13,267</u>	<u>\$ (1,907)</u>	<u>\$ (2,481)</u>
Noncash Investing, Capital, and Financing Activities:			
Increase (Decrease) in Fair Value of Investments	<u>\$ 629</u>	<u>\$ —</u>	<u>\$ 1</u>
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 629</u>	<u>\$ 0</u>	<u>\$ 1</u>

Heber Valley Historic Railroad Authority	Utah Science Center Authority	Utah State Fair Corporation	Total June 30, 2001
\$ (276)	\$ (8)	\$ (523)	\$ 10,313
75	9	71	451
—	—	—	398
—	—	—	63,507
—	—	—	(18,929)
28	—	—	3,263
(32)	—	(14)	9
—	—	—	(53,913)
—	—	15	1,026
52	—	3	1,745
—	—	(15)	(11)
—	—	—	405
<u>\$ (153)</u>	<u>\$ 1</u>	<u>\$ (463)</u>	<u>\$ 8,264</u>
<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 630</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 630</u>

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State of Utah

*Welcoming
the World...*

Comprehensive Annual Financial Report

For the
Fiscal Year Ended
June 30, 2001

SALT LAKE 2002
light the fire within



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

CONSTITUTIONAL OFFICERS OF THE STATE OF UTAH

Michael O. Leavitt Governor
Olene S. Walker Lt. Governor
Auston G. Johnson, CPA State Auditor
Edward T. Alter, CPA State Treasurer
Mark L. Shurtleff Attorney General
L. Alma "Al" Mansell President of the Senate
Martin R. Stephens Speaker of the House
Richard C. Howe Chief Justice, Supreme Court

OTHER STATE OFFICIALS

Raylene G. Ireland Executive Director, Dept. of Administrative Services
Kim S. Thorne, CPA Director, Division of Finance
Lynne N. Ward, CPA Director, Office of Planning and Budget
John E. Massey Legislative Fiscal Analyst
Wayne L. Welsh, CPA Legislative Auditor General
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ACKNOWLEDGMENTS

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Special appreciation is given to all of the budget and accounting officers throughout the State whose extra time and effort made this report possible.



STATE OF UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

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STATE OF UTAH

STATISTICAL SECTION

The Statistical Section

gives a historical perspective of financial information that may assist in assessing the current financial status and trends of the State. In addition, certain demographic and economic data have been presented that will allow a broader understanding of the economic and social environment in which state government operates.

STATE OF UTAH

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (A)

For the Last Ten Fiscal Years

(Expressed in Thousands)

Function	Fiscal Year Ended June 30									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
General Government	\$ 206,660	\$ 260,320	\$ 229,222	\$ 225,427	\$ 234,251	\$ 248,918	\$ 230,030	\$ 249,337	\$ 248,301	\$ 256,505
Business, Labor, and Agriculture	28,570	29,192	32,175	34,550	36,307	39,107	42,423	44,474	46,555	49,672
Community and Economic Development	65,283	63,859	68,063	71,883	82,585	84,384	72,847	75,602	77,305	83,526
Higher Education	335,231	358,869	374,758	409,083	432,816	464,202	475,817	507,890	531,364	569,722
Natural Resources	67,159	69,927	72,647	78,440	86,899	91,656	88,529	90,794	97,586	104,859
Human Services, Corrections, Health, and Environmental Quality	1,014,846	1,105,225	1,205,796	1,296,189	1,394,764	1,480,616	1,289,255	1,405,485	1,501,552	1,613,869
Employment and Family Services (B)	—	—	—	—	—	—	285,602	302,665	285,517	286,304
Public Education	1,049,047	1,134,245	1,217,741	1,299,052	1,476,565	1,651,282	1,676,668	1,776,912	1,824,162	1,949,959
Transportation and Public Safety	411,080	459,266	479,552	497,068	546,650	669,014	1,126,225	1,078,923	999,684	998,107
Capital Outlay	102,260	115,611	148,889	177,937	207,418	182,129	200,912	190,496	191,819	153,126
Leave/Postemployment Benefits	—	8,745	7,358	35,233	18,562	31,659	21,565	23,886	17,573	9,186
Debt Service	69,356	67,457	77,304	86,572	94,426	100,651	131,075	153,540	158,274	158,886
Total Expenditures All Governmental Fund Types	<u>\$3,349,492</u>	<u>\$3,672,716</u>	<u>\$3,913,505</u>	<u>\$4,211,434</u>	<u>\$4,611,243</u>	<u>\$5,043,618</u>	<u>\$5,640,948</u>	<u>\$5,900,004</u>	<u>\$5,979,692</u>	<u>\$6,233,721</u>

(A) Note: This summary includes expenditures of the State's governmental fund types which include the General Fund, Special Revenue Funds (Uniform School Fund, Transportation Fund, Centennial Highway Fund, Sports Authority Fund, State Capitol Fund, Consumer Education Fund, and Rural Development Fund), Capital Projects Fund, and Debt Service Fund. General Fund appropriations to the colleges and universities reported as transfers in the financial statements have been included here as Higher Education expenditures.

(B) The Department of Workforce Services was created in the Fiscal Year ended June 30, 1998, to operate the integrated Employment and Family Services function for the State. The Employment and Family Services function was previously reported on this schedule in the functions of General Government, Community and Economic Development, and Human Services.

STATE OF UTAH

GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES BY SOURCE (A)

For the Last Ten Fiscal Years

(Expressed in Thousands)

Source	Fiscal Year Ended June 30									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Unrestricted:										
Sales Taxes	\$ 807,335	\$ 887,361	\$ 984,287	\$1,061,870	\$1,170,120	\$1,259,961	\$1,260,033	\$1,324,818	\$1,372,849	\$1,436,298
Individual Income Tax	783,283	841,977	925,004	1,026,803	1,139,080	1,237,332	1,377,494	1,463,897	1,654,949	1,712,676
Corporate Tax.....	84,160	83,928	125,191	157,901	176,781	191,991	196,275	192,221	186,936	183,141
Motor and Special Fuel Tax	169,656	176,918	187,377	196,422	206,904	214,758	290,086	298,390	314,164	310,000
Licenses, Permits, and Fees.....	55,454	58,760	62,561	65,529	67,512	64,486	83,994	87,848	92,300	91,875
Interest on Investments	12,105	10,992	11,013	17,775	20,323	20,811	43,033	38,545	34,166	43,480
Miscellaneous Tax and Other.....	111,722	106,385	120,272	138,117	119,796	129,747	162,968	143,259	215,406	212,232
Total Unrestricted Revenues	2,023,715	2,166,321	2,415,705	2,664,417	2,900,516	3,119,086	3,413,883	3,548,978	3,870,770	3,989,702
Liquor Control Profits.....	16,596	18,132	17,893	20,080	22,155	24,312	26,297	26,959	28,659	30,253
Total Unrestricted Sources.....	2,040,311	2,184,453	2,433,598	2,684,497	2,922,671	3,143,398	3,440,180	3,575,937	3,899,429	4,019,955
Restricted:										
Restricted Sales Tax	—	—	—	—	—	—	27,816	26,514	28,113	29,003
Federal Contracts and Grants	961,218	1,073,686	1,141,711	1,193,140	1,266,632	1,315,279	1,382,748	1,543,186	1,575,608	1,708,087
Departmental Collections	127,719	138,844	152,564	158,454	149,868	163,763	174,228	206,420	217,621	236,986
Aeronautics.....	19,619	25,001	37,034	49,701	35,122	24,890	22,762	18,737	26,859	33,386
Federal Mineral Lease.....	32,527	30,287	33,335	29,054	34,718	34,111	33,485	28,962	34,957	49,566
Intergovernmental	18,741	27,405	31,564	20,740	46,602	38,731	72,366	42,526	80,431	35,225
Interest on Investments	12,697	10,484	10,007	17,131	19,603	18,593	18,749	19,510	21,638	21,588
Restricted Taxes	—	4,841	19,547	36,491	25,281	3,316	40,699	7,418	19,036	(3,484)
Miscellaneous	33,789	44,832	54,613	52,987	67,983	80,131	86,168	89,604	119,189	112,970
Total Restricted Revenues.....	1,206,310	1,355,380	1,480,375	1,557,698	1,645,809	1,678,814	1,859,021	1,982,877	2,123,452	2,223,327
Total Revenues.....	\$3,230,025	\$3,521,701	\$3,896,080	\$4,222,115	\$4,546,325	\$4,797,900	\$5,272,904	\$5,531,855	\$5,994,222	\$6,213,029
Total Revenues and Liquor Control Profits	\$3,246,621	\$3,539,833	\$3,913,973	\$4,242,195	\$4,568,480	\$4,822,212	\$5,299,201	\$5,558,814	\$6,022,881	\$6,243,282

(A) Note: This summary includes revenues of the State's governmental fund types which include the General Fund, Special Revenue Funds (Uniform School Fund, Transportation Fund, Centennial Highway Fund, Sports Authority Fund, State Capitol Fund, Consumer Education Fund, Rural Development Fund, and Tobacco Endowment Fund), Capital Projects Fund, and Debt Service Fund.

STATE OF UTAH

GENERAL OBLIGATION BONDS

Article XIV, Section 1, of the Utah Constitution limits the State to a total general obligation debt not to exceed 1.5 percent of the fair market value of the taxable property of the State. Using the latest valuation made in 2000, the debt limit of the State at June 30, 2001, was \$2.285 billion. During the fiscal year ended June 30, 2001, the State issued one new bond offering which totaled \$15 million. The State's total general obligation debt outstanding at June 30, 2001, is \$1.146 billion. Therefore under the law, the State has \$1.139 billion of additional borrowing capacity at June 30, 2001.

	Maturity Dates	(Expressed in Thousands)	
		Original Issues	Outstanding June 30, 2001
1995 AB Capital Facility Issue	2001	\$ 45,000	\$ 45,000
1996 Capital Facility Issue.....	2002	\$ 20,000	\$ 20,000
1997 ABCDE Highway/Capital Facility Issue	2001-2012	\$ 200,000	\$ 200,000
1997 F Highway Issue.....	2001-2012	\$ 205,000	\$ 205,000
1998 A Highway/Capital Facility Issue.....	2001-2012	\$ 265,000	\$ 265,000
1999 ABCD Highway Issue.....	2001-2014	\$ 358,000	\$ 358,000
1999 E Capital Facility Issue	2004	\$ 38,000	\$ 38,000
2001 A Capital Facility Issue	2004	\$ 15,000	\$ 15,000
Total General Obligation Bonds Payable.....			<u>\$1,146,000</u>

RATIO OF NET GENERAL BONDED DEBT TO FAIR MARKET VALUE AND NET BONDED DEBT PER CAPITA

For the Last Ten Fiscal Years

Fiscal Year	Population	(Expressed in Thousands)						Ratio of Net Bonded Debt to Fair Market Value	Net Bonded Debt Per Capita
		Fair Market Value	Gross Bonded Debt	Debt Service Moneys Available	Debt Payable From Enterprise Revenues	Debt Payable From Component Revenues	Net Bonded Debt (A)		
1992	1,838,000	\$ 64,239,741	\$ 2,135,760	\$ 3,895	\$ 294,985	\$ 1,460,900	\$ 375,980	0.59%	\$ 205
1993	1,889,000	\$ 66,199,942	\$ 2,109,607	\$ 4,958	\$ 332,470	\$ 1,348,627	\$ 423,552	0.64%	\$ 224
1994	1,947,000	\$ 70,117,209	\$ 2,086,020	\$ 6,898	\$ 410,970	\$ 1,218,329	\$ 449,823	0.64%	\$ 231
1995	1,995,000	\$ 77,099,869	\$ 2,047,901	\$ 8,881	\$ 434,490	\$ 1,096,056	\$ 508,474	0.66%	\$ 255
1996	2,043,000	\$ 99,224,437	\$ 2,425,271	\$ 13,493	\$ 551,015	\$ 1,285,186	\$ 575,577	0.58%	\$ 282
1997	2,099,000	\$ 111,599,469	\$ 2,380,548	\$ 13,891	\$ 604,065	\$ 1,178,953	\$ 583,639	0.52%	\$ 278
1998	2,142,000	\$ 125,780,622	\$ 3,359,985	\$ 7,567	\$ 625,455	\$ 1,307,930	\$ 1,419,033	1.13%	\$ 662
1999	2,193,000	\$ 134,600,515	\$ 3,694,340	\$ 8,124	\$ 804,968	\$ 1,374,679	\$ 1,506,569	1.12%	\$ 687
2000	2,247,000	\$ 142,192,158	\$ 3,764,487	\$ 8,757	\$ 881,285	\$ 1,412,042	\$ 1,462,403	1.03%	\$ 651
2001	2,280,000	\$ 152,329,350	\$ 3,891,193	\$ 11,475	\$ 1,044,305	\$ 1,453,935	\$ 1,381,478	0.91%	\$ 606

(A) Note: Includes general obligation bonds plus revenue bonds whose repayment is funded through governmental fund type operations or appropriations.

STATE OF UTAH

CALCULATION OF LEGAL DEBT LIMITS

For the Last Ten Fiscal Years

(Expressed in Millions)

	Fiscal Year Ended June 30									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Taxable Property Value (A)	\$ 55,591	\$ 57,173	\$ 60,481	\$ 65,239	\$ 74,284	\$ 83,149	\$ 93,278	\$ 99,917	\$ 105,149	\$ 112,218
Fair Market Value (A)	64,240	66,200	70,117	77,100	99,224	111,599	125,781	134,601	142,192	152,329
Debt Limit (Fair Market Value times 1.5%)	964	993	1,052	1,156	1,488	1,674	1,886	2,019	2,133	2,285
General Obligation Bonded Debt	(331)	(378)	(394)	(431)	(413)	(367)	(1,202)	(1,252)	(1,212)	(1,146)
Additional General Obligation Debt Incurring Capacity	\$ 633	\$ 615	\$ 658	\$ 725	\$ 1,075	\$ 1,307	\$ 684	\$ 767	\$ 921	\$ 1,139

(A) Source: Utah State Tax Commission (*Final Values* for the preceding calendar yearend)

STATUTORY DEBT LIMIT

The statutory debt limit was first enacted in 1989 and is 20 percent of the appropriations limit. The Legislature has exempted \$908 million of Highway Construction Bonds from the statutory bonding debt limit. At June 30, 2001, the statutory debt limit was (expressed in thousands):

	Calculated Using The Fiscal Year 2002 Appropriations Limitation	Calculated Using The Fiscal Year 2001 Appropriations Limitation
Appropriations Limitation	\$ 4,058,096	\$ 3,798,512
	20%	20%
Statutory Debt Limit	811,619	759,702
Outstanding General Obligation Debt	238,000	238,000
Additional General Obligation Debt Incurring Capacity	\$ 573,619	\$ 521,702

GENERAL OBLIGATION BONDED DEBT PER CAPITA

For the Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Net General Obligation Bonded Debt Per Capita	\$ 180.03	\$ 200.26	\$ 202.53	\$ 215.82	\$ 202.24	\$ 174.92	\$ 561.30	\$ 570.69	\$ 539.53	\$ 502.63

STATE OF UTAH

RATIO OF DEBT SERVICE EXPENDITURES TO GENERAL AND TO ALL GOVERNMENTAL FUND TYPE EXPENDITURES

For the Last Ten Fiscal Years

(Expressed in Millions)

	Fiscal Year Ended June 30									
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
General Fund Expenditures (A)	\$ 1,771	\$ 1,903	\$ 2,037	\$ 2,214	\$ 2,359	\$ 2,514	\$ 2,591	\$ 2,795	\$ 2,902	\$ 3,088
Debt Service Expenditures	\$ 69	\$ 68	\$ 77	\$ 87	\$ 94	\$ 101	\$ 131	\$ 154	\$ 158	\$ 159
Ratio Debt Service to General Fund Expenditures	<u>3.90%</u>	<u>3.57%</u>	<u>3.78%</u>	<u>3.93%</u>	<u>3.98%</u>	<u>4.02%</u>	<u>5.06%</u>	<u>5.51%</u>	<u>5.44%</u>	<u>5.15%</u>
Total All Governmental Funds Expenditures	\$ 3,349	\$ 3,673	\$ 3,914	\$ 4,211	\$ 4,611	\$ 5,044	\$ 5,641	\$ 5,900	\$ 5,980	\$ 6,234
Ratio Debt Service Expenditures to All Governmental Funds Expenditures	<u>2.06%</u>	<u>1.85%</u>	<u>1.97%</u>	<u>2.07%</u>	<u>2.04%</u>	<u>2.00%</u>	<u>2.32%</u>	<u>2.61%</u>	<u>2.64%</u>	<u>2.55%</u>

(A) Includes transfers to Higher Education.

ENTERPRISE FUNDS REVENUE BOND COVERAGE

For the Last Ten Fiscal Years

(Expressed in Thousands)

Fiscal Year	Gross Revenues	Direct Operating Expenses (B)	Net Revenue Available For Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
1992	\$ 25,295	\$ 2,816	\$ 22,479	\$ 2,275	\$ 18,508	\$ 20,783	1.08
1993	\$ 26,607	\$ 3,516	\$ 23,091	\$ 24,255	\$ 19,096	\$ 43,351	0.53
1994	\$ 30,632	\$ 4,644	\$ 25,988	\$ 19,670	\$ 22,331	\$ 42,001	0.62
1995	\$ 117,795	\$ 65,928	\$ 51,867	\$ 22,175	\$ 24,489	\$ 46,664	1.11
1996	\$ 132,945	\$ 74,285	\$ 58,660	\$ 35,940	\$ 27,123	\$ 63,063	0.93
1997	\$ 147,167	\$ 86,977	\$ 60,190	\$ 21,360	\$ 28,887	\$ 50,247	1.20
1998	\$ 161,547	\$ 91,829	\$ 69,718	\$ 73,660	\$ 32,384	\$ 106,044	0.66
1999	\$ 169,831	\$ 102,415	\$ 67,416	\$ 20,670	\$ 34,480	\$ 55,150	1.22
2000	\$ 203,482	\$ 120,313	\$ 83,169	\$ 51,177	\$ 43,639	\$ 94,816	0.88
2001	\$ 217,129	\$ 128,562	\$ 88,567	\$ 95,482	\$ 48,575	\$ 144,057	0.61

From 1992 – 1994 Enterprise Funds revenue bond coverage includes only bonds from the Student Assistance Programs. Alcoholic Beverage Control revenue bonds are included along with the Student Assistance Programs, beginning in fiscal year 1995. Utah Correctional Industries revenue bonds are included with the other enterprise funds, beginning in fiscal year 2000.

(B) Does not include interest expense.

STATE OF UTAH

REVENUE BONDS

In addition to general obligation debt, several issues of revenue bonds were outstanding at June 30, 2001.

The Utah Housing Corporation issued mortgage purchase bonds to provide adequate sources of capital for housing for low and moderate income families. The bonds, totaling \$1.143 billion at June 30, 2001, are to be repaid from mortgage payments.

The Board of Regents issued Student Loan bonds to guarantee repayment of eligible student loans and to make loans to eligible students. The bonds are repaid from student loan payments and federal allowances. Outstanding bonds at June 30, 2001, net of unamortized discount, total \$1.033 billion.

The State of Utah issued the 1992 A and B Revolving Loan Recapitalization Program bonds to provide capital for the Water Resources Loan Fund. The bonds are secured by and repayment is made from collections of the Loan Fund's notes receivable. The outstanding bonds at June 30, 2001, of \$1.62 and \$3.125 million, respectively, are reported in the Internal Service Funds.

The Utah State Building Ownership Authority (UBOA) issues bonds for the construction of facilities that are leased to and used by various state entities and which are repaid from the lease income. The Authority issued the 1992 A and B bonds for the construction of office facilities for the Department of Workforce Services—Employment Security and the Department of Corrections, bonds outstanding at June 30, 2001, are \$18.335 million and \$995 thousand respectively. The Authority issued the 1993 A and B bonds for the construction of office facilities for the Department of Human Services and the Department of Education, at June 30, 2001, bonds outstanding are \$4.55 and \$6.135 million respectively. The Authority issued the 1994 A bonds for construction of facilities for four state agencies; \$7.03 million of bonds are outstanding at June 30, 2001. The Authority issued the 1995 A bonds for construction of four office facilities to be used by state agencies, the outstanding amount of these bonds at June 30, 2001, is \$22.16 million. The Authority issued the 1996 A and B bonds for construction of facilities for five state agencies and three institutions of higher education; at June 30, 2001, \$10.625 and \$14.395 million of bonds are outstanding, respectively. The Authority issued the 1997 A bonds for the acquisition and construction of five facilities for the Alcoholic Beverage Control Commission (Enterprise Fund), the outstanding amount of these bonds at June 30, 2001, is \$3.81 million. The Authority issued the 1998 A bonds for the construction of a facility for the Alcoholic Beverage Control Commission, (Enterprise Fund) construction of a warehouse for the Division of Fleet Operations (Internal Service Fund), acquisition of right-of-ways for the construction of highways, and acquisition of the Youth Corrections Facility previously leased through Salt Lake County; bonds outstanding at June 30, 2001, amounted to \$21.2 million. The 1998 B bonds were issued for the construction of student housing at the University of Utah (Colleges and Universities). The facilities will also serve as an Olympic Village during the 2002 Winter Games. At June 30, 2001, \$26.433 million of bonds were outstanding. The

bond is to be repaid at maturity by the Salt Lake Organizing Committee. The 1998 C refunding bond advance refunded \$15.655, \$60.925, and \$29.035 million of the 94 A, 95 A, and 96 A bonds, respectively, to take advantage of lower interest rates; \$105.01 million of the bonds are outstanding at June 30, 2001. The Authority issued the 1999 A bonds to build an administration building for the Department of Corrections and the Board of Pardons and Parole Administration, acquire and construct two facilities for the Alcoholic Beverage Commission (Enterprise Fund), and expand a Utah Correctional Industries Facility (Enterprise Fund); at June 30, 2001, \$9.4 million of bonds were outstanding. The Authority did not issue any bonds during fiscal year 2001.

The State of Utah has issued the 1995 Water Refunding notes bond to refund the 1989 Revolving Loan Recapitalization Program bond, which was issued to provide capital for the Utah Water Security Enhancement Revolving Loan Program. The 1995 Water Refunding notes bond is secured by and repayment is made from the revolving loan programs' notes receivable. Outstanding bonds at June 30, 2001, totaled \$3.93 million.

The colleges and universities have issued bonds for various purposes including student housing, special events centers, and student union centers. The bonds are secured by the related assets, student building fees, and other income of certain college activities. Outstanding bonds at June 30, 2001, net of unamortized discount, totaled \$311.108 million.

In the opinion of the bond counsel, the revenue bonds are not a debt, liability, or general obligation of the State of Utah and, therefore, do not impair the legal borrowing capacity of the State.

The enabling legislation for bonds issued by the State Board of Regents (with respect to the Student Loan Program), the Utah State Building Ownership Authority, and the Utah Housing Corporation requires or permits these entities to establish debt service reserve funds as reserves for those bonds. The State Financing Consolidation Act also permits the State to establish debt service reserve funds as reserves for obligations issued under that Act. Such reserve funds should be funded to the maximum amount allowed by Federal or statutory law. Should those reserve funds ever fall below their required levels, an appropriation may be sought from the Legislature to cover the deficit. The Legislature may, but is not required to, make such an appropriation. Bonds issued with these types of reserve funds supported by the State are referred to herein as "State Reserve Fund Moral Obligation Bonds."

As of June 30, 2001, the Utah Housing Corporation, the State Board of Regents, and the Utah State Building Ownership Authority have never failed to pay when due the principal of and interest on any State Reserve Fund Moral Obligation Bonds. The reserve funds for the various State Reserve Fund Moral Obligation Bonds have never been below their respective debt service reserve fund requirements. Therefore, to date no appropriation has ever been requested from the Legislature.

STATE OF UTAH

REVENUE BONDS

(Expressed in Thousands)

Revenue Bonds	Maturity Date	Original Issues	Outstanding June 30, 2001
Utah Housing Corporation:			
Single Family Mortgages			
1986 Series A (2)	1993–2016	\$ 91,015	\$ 184
1987 Series D (2)	1989–2019	\$ 27,640	85
1987 Series G (2)	1990–2019	\$ 22,815	20
1988 Series B (2)	1990–2019	\$ 25,000	375
1988 Series E (2)	1990–2020	\$ 25,000	60
1989 Series E (2)	1999–2021	\$ 25,000	45
1989 Series F (2)	1992–2021	\$ 25,000	385
1990 Series A (2)	1999–2022	\$ 25,000	385
1990 Series B (2)	1999–2021	\$ 30,000	90
1990 Series C (2)	1993–2022	\$ 38,215	140
1990 Series D (2)	1993–2022	\$ 15,000	180
1990 Series E (2)	1993–2022	\$ 40,000	840
1991 Series A (2)	1993–2023	\$ 25,000	290
1991 Series B (2)	1993–2023	\$ 25,000	425
1991 Series C (2)	1994–2023	\$ 25,000	890
1991 Series D (2)	1994–2023	\$ 49,260	2,955
1991 Series E (2)	1994–2024	\$ 23,840	2,285
1992 Issue A (2)	1994–2025	\$ 23,800	3,035
1992 Issue B (2)	1995–2024	\$ 25,000	3,040
1992 Issue C (2)	1996–2024	\$ 25,000	2,230
1992 Refunding Bonds (2)	1993–2012	\$ 64,455	1,695
1992 Issue D (2)	1994–2025	\$ 26,005	3,080
1992 Issue E (2)	1995–2025	\$ 26,000	7,075
1992 Issue F (2)	1995–2025	\$ 26,000	7,680
1993 Issue A (2)	1994–2025	\$ 27,855	1,670
1993 Issue B (2)	1995–2025	\$ 25,000	8,705
1994 Issue A (2)	1996–2026	\$ 25,000	10,330
1994 Issue B (2)	1996–2026	\$ 25,000	8,205
1994 Issue C (2)	1996–2027	\$ 25,000	7,815
1994 Issue D (1)	1996–2027	\$ 25,000	4,525
1994 Issue E (1)	1996–2027	\$ 25,000	5,040
1994 Issue F (1)	1996–2027	\$ 25,000	4,175
1994 Issue G (1)	1997–2027	\$ 25,000	1,560
1995 Issue A (1)	1997–2027	\$ 25,000	3,485
1995 Issue B (1)	1998–2012	\$ 25,000	6,935
1995 Issue C (1)	1997–2027	\$ 25,000	7,595
1995 Issue D (1)	1997–2022	\$ 25,000	7,505
1995 Issue E (1)	1997–2028	\$ 25,000	9,760
1995 Issue F (1)	1997–2028	\$ 25,000	9,655
1995 Issue G (1)	1997–2027	\$ 25,000	10,770
1995 Issue H (1)	1997–2027	\$ 25,000	9,910
1995 Issue I (1)	1997–2027	\$ 25,000	12,465
1996 Series (1)	1997–2009	\$ 32,440	6,405
1996 Issue A (1)	1998–2028	\$ 25,000	13,000
1996 Series R (1)	1997–2016	\$ 62,400	22,010
1996 Series B (1)	2006–2027	\$ 25,000	13,115
1996 Series C (1)	2006–2028	\$ 25,000	10,870
1996 Series D (1)	2006–2028	\$ 25,000	12,870

Continues

(1) Not classified as a State Reserve Fund Moral Obligation Bond.

(2) Classified as a State Reserve Fund Moral Obligation Bond.

Continued

(Expressed in Thousands)

Revenue Bonds	Maturity Date	Original Issues	Outstanding June 30, 2001
1996 Series E (1)	1998-2027	\$ 25,000	\$ 15,820
1997 Series A (1)	1998-2027	\$ 25,000	15,720
1997 Series B (1)	1999-2028	\$ 25,000	17,175
1997 Series C (1)	1999-2028	\$ 25,000	17,205
1997 Series D (1)	1999-2029	\$ 25,000	19,150
1997 Series E (1)	1999-2029	\$ 25,000	19,710
1997 Series F (1)	1999-2029	\$ 25,000	19,870
1997 Series G (1)	1999-2029	\$ 25,000	19,580
1998 Series A (1)	2000-2029	\$ 25,000	21,280
1998 Series B (1)	2000-2029	\$ 25,000	22,055
1998 Series C (1)	2000-2029	\$ 25,000	21,460
1998 Series D (1)	2000-2030	\$ 25,000	21,860
1998 Issue E (1)	2005-2030	\$ 25,000	22,555
1998 Issue F (1)	2000-2030	\$ 25,000	23,235
1998 Series G (1)	2000-2030	\$ 30,000	28,425
1999 Series A (1)	2000-2030	\$ 30,000	28,460
1999 Series B (1)	2001-2030	\$ 27,500	26,460
1999 Series C (1)	2001-2031	\$ 30,000	29,195
1999 Series D (1)	2002-2031	\$ 30,000	29,590
1999 Series E (1)	2001-2031	\$ 30,000	29,435
1999 Series F (1)	2001-2031	\$ 30,000	29,825
2000 Series A (1)	2002-2031	\$ 25,000	24,950
2000 Series B (1)	2010-2031	\$ 25,000	25,000
2000 Series C (1)	2014-2031	\$ 25,000	25,000
2000 Series D (1)	2010-2031	\$ 25,000	25,000
2000 Series E (1)	2010-2032	\$ 25,000	25,000
2000 Series F (1)	2002-2031	\$ 25,000	25,000
2000 Series G (1)	2003-2032	\$ 25,000	25,000
2000 Series 3 (1)	2033	\$ 2,325	1,890
2000 Series 4 (1)	2033	\$ 24,250	11,840
2001 Series A (1)	2003-2032	\$ 25,000	25,000
2001 Series B (1)	2016-2032	\$ 25,000	25,000
2001 Series 1 (1)	2012	\$ 1,935	1,935
2001 Series 2 (1)	2032	\$ 14,990	14,990
Subtotal - Single Family Mortgages			979,514
Multi-Family Mortgages			
1985 Series B (1)	2007	\$ 6,500	435
1992 Issue A (2)	2024	\$ 22,130	12,865
1993 Issue A (2)	2024	\$ 1,350	305
1994 Issue A (1)	1994-2019	\$ 3,710	3,235
1995 Issue Cottonwood Project (1)	1996-2025	\$ 7,400	6,895
1995 Issue A & B (1)	2003-2036	\$ 4,695	4,555
1996 Issue A, B & C (1)	2028	\$ 4,540	4,372
1996 Series A (1)	1997-2022	\$ 10,320	9,445
1997 Series A & B (1)	2002-2027	\$ 9,320	9,150
1998 Series Heather Estates Project (1)	2000-2029	\$ 9,800	8,135

Continues

(1) Not classified as a State Reserve Fund Moral Obligation Bond.

(2) Classified as a State Reserve Fund Moral Obligation Bond.

STATE OF UTAH

REVENUE BONDS

Continued

(Expressed in Thousands)

Revenue Bonds	Maturity Date	Original Issues	Outstanding June 30, 2001
1998 Series A, B & C Hartland (1)	2012–2028	\$ 10,710	\$ 10,369
1998 Aspen Villas Project (1)	1999–2028	\$ 6,360	6,100
1998 Series B (1)	1999–2016	\$ 10,434	10,434
1999 Series A & B (1)	2010–2037	\$ 13,795	13,795
1999 Country Oaks (1)	2011–2041	\$ 3,195	3,195
1999 Series A & B Bay Harbour (1)	2031	\$ 3,600	3,600
1999 Series A, B & C Todd Hollow (1)	2033	\$ 12,195	12,195
2000 Series A & B The Riverview (1)	2012–2030	\$ 6,150	6,120
2000 Series A Holiday Village (1)	2032	\$ 4,030	4,030
2000 Series A Shaleh Meadows (1)	2010–2033	\$ 6,600	6,600
2000 Series Tooele Gateway (1)	2033	\$ 3,263	3,263
2001 Issue Candlestick (1)	2036	\$ 6,400	6,400
2001 Series Kings Row (1)	2016–2033	\$ 7,500	7,500
2001 Series Diamond Fork (1)	2022	\$ 3,525	3,525
2001 Series Rose Cove (1)	2022	\$ 6,705	6,705
Subtotal – Multi-Family Mortgages			163,223
Total Utah Housing Corporation Bonds			\$ 1,142,737
Board of Regents/Student Loan Bonds:			
1988 Series C (2)	2013	\$ 25,000	25,000
1992 Series H (2)	2015	\$ 37,485	37,485
1993 Series A (2)	2023	\$ 35,000	35,000
1993 Series B (2)	2013	\$ 42,400	42,400
1993 Series C (2)	2005	\$ 17,170	3,265
1993 Series D (2)	2018	\$ 3,600	3,600
1994 Series J (2)	2006	\$ 3,250	3,250
1994 Series K (2)	2024	\$ 20,500	20,500
1995 Series L (2)	2025	\$ 79,500	79,500
1995 Series N (2)	2008	\$ 8,450	8,450
1996 Series P (2)	2008	\$ 9,300	9,300
1996 Series Q (2)	2031	\$ 49,700	49,700
1997 Series R (2)	2031	\$ 51,355	51,355
1997 Series E (2)	2027	\$ 80,000	80,000
1997 Series F (2)	2008	\$ 10,900	10,900
1998 Series G (2)	2033	\$ 49,500	49,500
1998 Series H (2)	2006	\$ 15,075	5,000
1998 Series I (2)	2008	\$ 5,300	5,300
1998 Series J (2)	2033	\$ 40,000	40,000
1998 Series K (2)	2033	\$ 29,500	29,500
1998 Series L (2)	2033	\$ 40,000	40,000
1998 Series M (2)	2033	\$ 20,000	20,000
1999 Series N (2)	2008	\$ 23,000	23,000
1999 Series O (2)	2038	\$ 102,000	102,000
2000 Series S (2)	2008	\$ 44,000	44,000
2000 Series T (2)	2035	\$ 49,500	49,500
2000 Series U (2)	2039	\$ 35,000	35,000
2001 Series P (2)	2035	\$ 45,000	45,000
2001 Series Q (2)	2035	\$ 10,000	10,000
2001 Series R (2)	2040	\$ 75,000	75,000
Total Board of Regents/Student Loan Bonds			\$ 1,032,505

Continues

(1) Not classified as a State Reserve Fund Moral Obligation Bond.

(2) Classified as a State Reserve Fund Moral Obligation Bond.

Revenue Bonds	Maturity Date	Original Issues	Outstanding June 30, 2001
Utah State Building Ownership Authority and Utah State Treasurer:			
1992 A Revolving Loan Recapitalization Program (2).....	1993–2004	\$ 5,065	\$ 1,620
1992 B Revolving Loan Recapitalization Program (2).....	1993–2004	\$ 9,935	\$ 3,125
1992 A Utah State Building Ownership Authority Refunding (2).....	1993–2011	\$ 26,200	\$ 18,335
1992 B Utah State Building Ownership Authority (2)	1994–2011	\$ 1,380	\$ 995
1993 A Utah State Building Ownership Authority (2)	1995–2013	\$ 6,230	\$ 4,550
1993 B Utah State Building Ownership Authority (2)	1995–2014	\$ 8,160	\$ 6,135
1994 A Utah State Building Ownership Authority (1)	1995–2018	\$ 30,915	\$ 7,030
1995 A Utah State Building Ownership Authority (1)	1996–2018	\$ 93,000	\$ 22,160
1995 Water Refunding Recapitalization Program (2).....	1996–2005	\$ 8,430	\$ 3,930
1996 A Utah State Building Ownership Authority (1)	1997–2019	\$ 44,725	\$ 10,625
1996 B Utah State Building Ownership Authority (1)	1999–2013	\$ 16,875	\$ 14,395
1997 A Utah State Building Ownership Authority (1)	1999–2018	\$ 4,150	\$ 3,810
1998 A Utah State Building Ownership Authority (1)	1999–2020	\$ 25,710	\$ 21,200
1998 B Utah State Building Ownership Authority – Capital Appreciation (1).....	2005	\$ 23,091	\$ 26,433
1998 C Utah State Building Ownership Authority (1)	2000–2019	\$ 105,100	\$ 105,010
1999 A Utah State Building Ownership Authority (1)	2001–2021	\$ 9,455	\$ 9,400
Total Utah State Building Ownership Authority and Utah State Treasurer			<u>\$ 258,753</u>
Colleges and Universities:			
University of Utah (1).....	2006–2029	\$ 278,215	\$ 227,593
Utah State University (1).....	2003–2021	\$ 52,020	\$ 27,945
Weber State University (1).....	2007–2010	\$ 8,715	\$ 6,680
Southern Utah University (1)	2007–2016	\$ 11,360	\$ 8,660
Utah Valley State College (1).....	2012–2020	\$ 28,170	\$ 25,350
Dixie State College of Utah (1)	2010	\$ 2,815	\$ 2,220
College of Eastern Utah (1).....	2022	\$ 1,250	\$ 1,135
Salt Lake Community College (1)	2005–2012	\$ 17,315	\$ 11,615
Total Colleges and Universities			<u>\$ 311,198</u>

(1) Not classified as a State Reserve Fund Moral Obligation Bond.

(2) Classified as a State Reserve Fund Moral Obligation Bond.

STATE OF UTAH

POPULATION

On April 1, 2000, the U.S. Census Bureau conducted the 22nd national census. The decennial census is the only national survey providing consistent, uniform measures and data for every geographic area in the nation. The results capture a picture in time of the population of Utah; who we are, how we've changed, and the direction we are heading—demographically, socially, and economically. Utah's April 1, 2000, population reached 2,233,169. This represents a population increase of 510,319 persons, or 29.6 percent from 1990, ranking Utah fourth among states in the rate of population growth from 1990 to 2000. Utah grew more than twice as fast as the U.S. (13.2 percent) during this ten year period.

Utah continues to have the youngest population in the nation. However, the median age increased over the decade from 26.3 years in 1990 to 27.1 years in 2000. Utahns under age 18 accounted for 32.2 percent of the total population in 2000, while those 65 years and over accounted for only 8.5 percent of the population. Males in Utah accounted for 50.1 percent of the population in 2000, compared to 49.7 percent in 1990, while females accounted for 49.9 percent of the population in 2000, down from 50.3 percent in 1990.

Salt Lake County continues to be the State's largest county with a population of 898,387 in 2000, followed by Utah County (368,536), Davis (238,994), Weber (196,533), and Cache (91,391). Three out of every four people in the State live in the northern metropolitan area, including Weber, Davis, Salt Lake, and Utah Counties, where 1,702,450 residents, or 76 percent of the State's population reside.

Year	Population
1970	1,066,000
1980	1,474,000
1990	1,729,000
1991	1,781,000
1992	1,838,000
1993	1,889,000
1994	1,947,000
1995	1,995,000
1996	2,043,000
1997	2,099,000
1998	2,142,000
1999	2,193,000
2000	2,247,000
2001 Forecast.....	2,280,000

Source: Utah Population Estimates Committee at July 1 each year.

TAXABLE RETAIL SALES AND PERSONAL INCOME

The following table shows the gross taxable retail sales, total personal income, and per capita income in Utah for the last ten years.

Year Ended December 31	Gross Taxable Retail Sales (A) (in millions)	Total Personal Income (B) (in millions)	Per Capita Personal Income (B)	Per Capita Percent of Change From Previous Year
1991	\$ 15,998	\$ 27,750	\$ 15,603	4.4%
1992	\$ 17,313	\$ 29,788	\$ 16,234	4.0%
1993	\$ 19,341	\$ 31,950	\$ 16,844	3.8%
1994	\$ 21,527	\$ 34,579	\$ 17,651	4.8%
1995	\$ 23,609	\$ 37,278	\$ 18,514	4.9%
1996	\$ 25,844	\$ 40,354	\$ 19,519	5.4%
1997	\$ 26,829	\$ 43,696	\$ 20,618	5.6%
1998	\$ 28,645	\$ 46,781	\$ 21,624	4.9%
1999	\$ 29,999	\$ 49,172	\$ 22,335	3.3%
2000	\$ 31,645	\$ 52,473	\$ 23,364	4.6%

(A) Source: Utah State Tax Commission based on sales and use tax reports.

(B) Source: Utah Department of Workforce Services.

STATE OF UTAH

PERSONAL INCOME BY SECTOR

For the Last Five Calendar Years

(Expressed in Millions)

	1996	1997	1998	1999	2000	Percent Change	
						1998 to 1999	1999 to 2000
Government Sector:							
Federal Civilian	\$ 1,626	\$ 1,661	\$ 1,700	\$ 1,782	\$ 1,963	4.8%	10.2%
Federal Military	380	377	377	392	421	3.9	7.3
State and Local	3,850	4,177	4,514	4,738	5,023	5.0	6.0
Total Government.....	5,856	6,215	6,591	6,912	7,407	4.9	7.2
Private Sector:							
Manufacturing	4,488	4,717	4,877	5,004	5,216	2.6	4.3
Mining	405	437	433	421	456	(2.7)	8.3
Construction	2,362	2,512	2,806	3,084	3,211	9.9	4.1
Wholesale Trade	1,745	1,851	2,061	2,186	2,355	6.1	7.7
Retail Trade	3,151	3,503	3,644	3,894	3,952	6.9	1.5
Finance	2,191	2,507	2,769	2,938	3,135	6.1	6.7
Transportation, Utilities, and Communications	2,297	2,481	2,622	2,778	2,987	6.0	7.5
Services	8,119	8,934	9,780	10,663	11,794	9.0	10.6
Farm Income.....	162	185	224	230	200	2.6	(13.0)
Total Private	24,920	27,127	29,216	31,198	33,306	6.8	6.8
(Less) Social Insurance Contribution	(1,793)	(1,938)	(2,040)	(2,173)	(2,292)	6.6	5.5
Plus (Less) Residence Adjustment	17	18	23	23	24	—	4.3
Plus Dividends, Interest, and Rent.....	6,909	7,579	8,133	8,158	8,700	0.3	6.6
Plus Transfer Payments	4,445	4,695	4,858	5,054	5,329	4.0	5.5
Total Personal Income.....	\$ 40,354	\$ 43,696	\$ 46,781	\$ 49,172	\$ 52,474	5.1%	6.7%

Source: Utah Department of Workforce Services

STATE OF UTAH

COMPOSITION OF LABOR FORCE

Annual Average — For the Last Five Calendar Years

	1996	1997	1998	1999	2000
Nonagricultural Jobs:					
Government:					
Federal.....	30,937	31,296	30,849	31,162	32,752
State – Education	28,004	28,769	29,873	29,916	30,702
State – Non-Education	23,879	24,587	25,446	25,954	26,770
Local – Education	52,636	54,685	55,789	56,220	57,347
Local – Non-Education	31,015	32,499	33,690	35,301	36,973
Total Government	166,471	171,836	175,647	178,553	184,544
Mining	7,929	8,297	8,047	7,762	8,030
Construction.....	60,283	64,470	68,252	72,214	71,475
Manufacturing.....	129,177	132,853	133,405	132,203	130,840
Transportation, Communications, and Utilities.....	54,045	55,994	58,443	59,411	60,843
Trade	230,229	238,294	244,045	248,212	251,625
Finance, Insurance, and Real Estate.....	50,539	52,577	55,265	56,637	57,327
Service and Miscellaneous.....	255,509	269,678	280,376	293,506	310,167
Total Non-Farm Jobs	954,182	993,999	1,023,480	1,048,498	1,074,851
Civilian Labor Force	1,008,400	1,040,000	1,062,700	1,083,900	1,104,200
Total Employed.....	973,400	1,007,700	1,022,800	1,043,400	1,068,400
Unemployed.....	35,000	32,300	39,900	40,500	35,800

Source: Utah Department of Workforce Services

AVERAGE ANNUAL UNEMPLOYMENT RATE

For the Last Five Calendar Years

Year	Utah (A)	U.S. (B)
1997	3.1%	4.9%
1998	3.8%	4.5%
1999	3.7%	4.2%
2000	3.2%	4.0%
2001*	4.5%	4.8%

* 2001 figures are a forecast.

Source: (A) Utah Department of Workforce Services
(B) Employment and Earnings – Bureau of Labor Statistics

STATE OF UTAH

GROSS TAXABLE RETAIL SALES AND USE TAX PURCHASES

For the Last Five Calendar Years

(Expressed in Thousands)

	Gross Retail Sales and Purchases					Percent Change	Percent Change
	1996	1997	1998	1999	2000	1998 to 1999	1999 to 2000
Major Industry:							
Agriculture, Forestry, and Fishing.....	\$ 17,377	\$ 25,784	\$ 22,612	\$ 26,499	\$ 32,173	17.2%	21.4%
Mining.....	174,440	245,303	259,042	180,267	202,157	(30.4)	12.1
Construction	370,737	388,522	399,802	421,476	407,857	5.4	(3.2)
Manufacturing	1,512,616	1,464,211	1,601,027	1,539,452	1,543,234	(3.8)	0.2
Transportation	92,305	102,296	122,686	140,231	149,218	14.3	6.4
Communications.....	790,352	868,180	1,058,492	1,191,317	1,414,682	12.5	18.7
Electric, Gas, and Sanitation.....	906,751	1,091,917	1,108,613	1,060,964	1,177,946	(4.3)	11.0
Wholesale Trade.....	2,868,673	2,857,954	3,157,047	3,278,676	3,444,614	3.9	5.1
Retail – Building and Garden	1,337,465	1,309,839	1,351,362	1,476,047	1,425,560	9.2	(3.4)
Retail – General Merchandise	2,256,379	2,327,856	2,462,660	2,619,315	2,797,187	6.4	6.8
Retail – Food Stores	3,049,699	3,258,413	3,381,050	3,492,673	3,640,537	3.3	4.2
Retail – Motor Vehicle Dealers, Etc..	2,709,742	2,774,967	2,965,019	3,175,267	3,389,595	7.1	6.7
Retail – Apparel and Accessories	665,107	692,786	756,543	759,845	789,358	0.4	3.9
Retail – Furniture and Home Furnishings.....	1,309,817	1,307,089	1,335,021	1,350,922	1,371,176	1.2	1.5
Retail – Eating and Drinking Places..	1,472,852	1,553,635	1,676,822	1,814,710	1,906,402	8.2	5.1
Retail – Miscellaneous	1,603,328	1,648,793	1,728,157	1,804,517	1,958,130	4.4	8.5
Finance, Insurance, and Real Estate ..	318,426	339,793	423,481	449,726	469,097	6.2	4.3
Services	3,275,917	3,383,895	3,698,830	3,900,743	4,276,454	5.5	9.6
Public Administration.....	144,481	75,837	59,288	67,973	66,505	14.6	(2.2)
Private Motor Vehicle Sales.....	495,412	513,785	538,853	509,906	605,250	(5.4)	18.7
Occasional Retail Sales	50,585	70,582	64,033	61,256	71,489	(4.3)	16.7
Nondisclosable	5,026	1,497	7,015	22,849	31,164	225.7	36.4
Prior Period Payments, Refunds.....	416,450	525,769	467,854	653,910	475,228	39.8	(27.3)
Total	<u>\$25,843,937</u>	<u>\$26,828,703</u>	<u>\$28,645,309</u>	<u>\$29,998,541</u>	<u>\$31,645,013</u>	4.7%	5.5%

Source: Utah State Tax Commission

BANK DEPOSITS

For the Last Ten Fiscal Years

(Expressed in Thousands)

Year Ended June 30	Bank Deposits
1991.....	\$ 13,604,577
1992.....	\$ 13,957,929
1993.....	\$ 14,287,707
1994.....	\$ 15,460,358
1995.....	\$ 16,683,077
1996.....	\$ 18,315,221
1997.....	\$ 20,661,006
1998.....	\$ 21,522,240
1999.....	\$ 24,059,517
2000.....	\$ 43,296,445 *

* Significant changes in certain banking operations resulted in a substantial increase in deposits in 2000.

Source: 2001/Sheshunoff Information Services, Inc.

STATE OF UTAH

LARGEST EMPLOYERS

As of December 2000

Entity Name	Industry	Number of Employees (A)
State of Utah	State Government	22,000
Intermountain Health Care (IHC)	Hospitals and Clinics	22,000
Brigham Young University	Higher Education	17,500
University of Utah (Includes Hospital)	Higher Education	17,000
Hill Air Force Base	Military Installation	11,000
Convergys	Telemarketing	8,500
Granite School District	Public Education	8,500
Jordan School District	Public Education	8,000
Utah State University	Higher Education	6,500
Wal-Mart Stores	Department Stores	6,500
Davis County School District	Public Education	6,500
Salt Lake County	Local Government	6,000
Smith's Food King	Grocery Stores	6,000
U.S. Postal Service	Mail Distribution	5,500
Autoliv ASP (Morton Int'l.)	Automotive Components Manufacturing	5,500
Alpine School District	Public Education	5,000
Albertson's	Grocery Stores	5,000
Delta Airlines	Air Transportation	5,000
Novus (Discover Card)	Consumer Loans	5,000
Internal Revenue Service	Federal Government	4,500
Salt Lake School District	Public Education	4,000
United Parcel Service	Courier Service	4,000
Communications & Commerce	Telemarketing	4,000
Weber County School District	Public Education	3,500
Cordant Technologies (Thiokol Corp.)	Aerospace Equipment Manufacturing	3,500
Icon Health & Fitness	Exercise Equipment Manufacturing	3,000
K-Mart Corporation	Department Stores	3,000
Qwest Communications	Telephone Service/Communications	3,000
Salt Lake Community College	Higher Education	3,000
Meier & Frank (ZCMI)	Department Stores	3,000
Zions First National Bank	Banking	3,000
Salt Lake City Corporation	Local Government	3,000
Kelly Services	Temporary Employment Placement	2,500
Weber State University	Higher Education	2,500
Utah Valley State College	Higher Education	2,500
Unibase Data Entry	Data Entry	2,500
J. C. Penney Company	Department Stores	2,500
Dick Simon Trucking	Trucking	2,500
Novell	Computer Software	2,500
Kennecott Minerals	Copper Mining and Smelting	2,500
Nebo School District	Public Education	2,500
Provo City School District	Public Education	2,500
PacifiCorp (Utah Power)	Electric Power Generation and Distribution	2,500

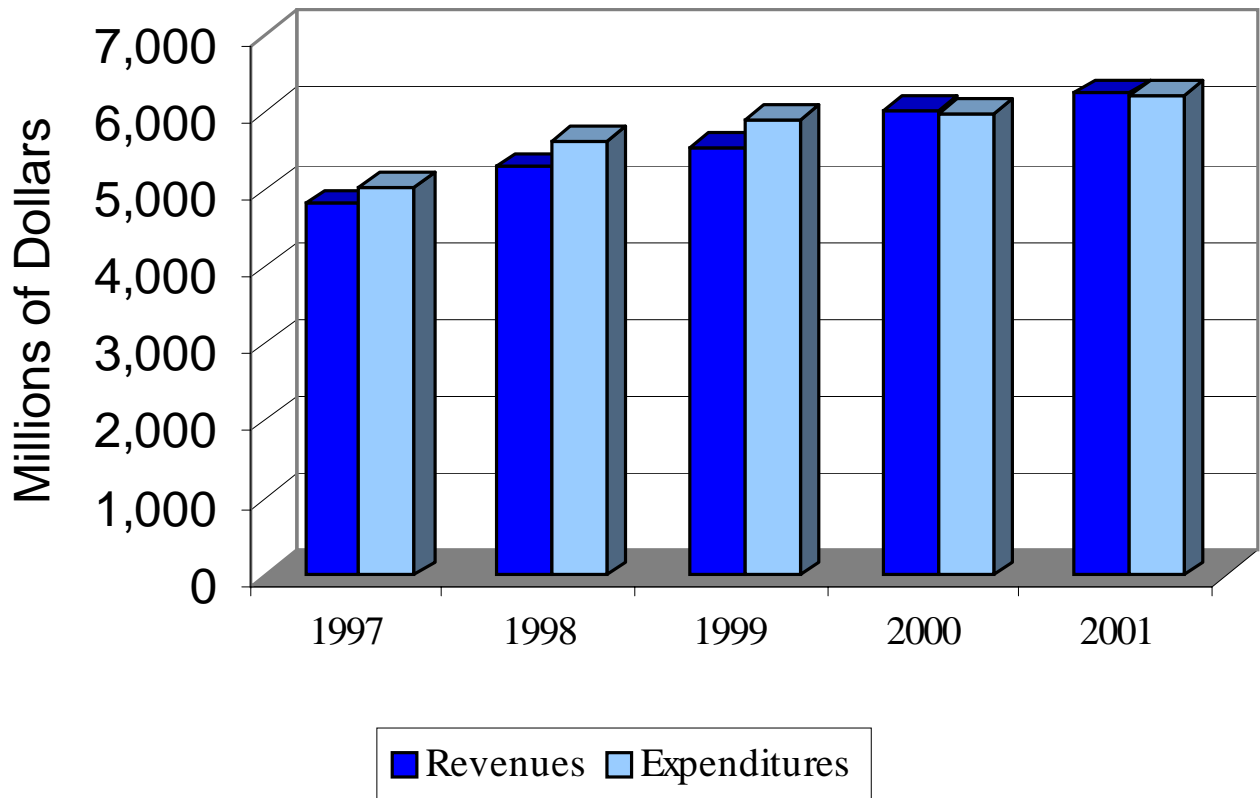
(A) All numbers are rounded.

Source: Utah Department of Workforce Services, Workforce Information

STATE OF UTAH

REVENUES AND EXPENDITURES ALL GOVERNMENTAL FUND TYPES

For the Last Five Fiscal Years



Revenues and Expenditures

	<i>(Dollars Expressed in Millions)</i>				
	1997	1998	1999	2000	2001
Revenues and Liquor Control Profits	\$ 4,822	\$ 5,299	\$ 5,559	\$ 6,023	\$ 6,243
Percent Change Over Previous Year	5.6%	9.9%	4.9%	8.3%	3.7%
Expenditures	\$ 5,044	\$ 5,641	\$ 5,900	\$ 5,980	\$ 6,234
Percent Change Over Previous Year	9.4%	11.8%	4.6%	1.4%	4.2%

Revenues and expenditures of "All Governmental Fund Types" include: The General Fund, Special Revenue Funds (Uniform School Fund, Transportation Fund, Centennial Highway Fund, Sports Authority Fund, State Capitol Fund, Consumer Education Fund, Rural Development Fund, and Tobacco Endowment Fund), Capital Projects Fund, and Debt Service Fund.

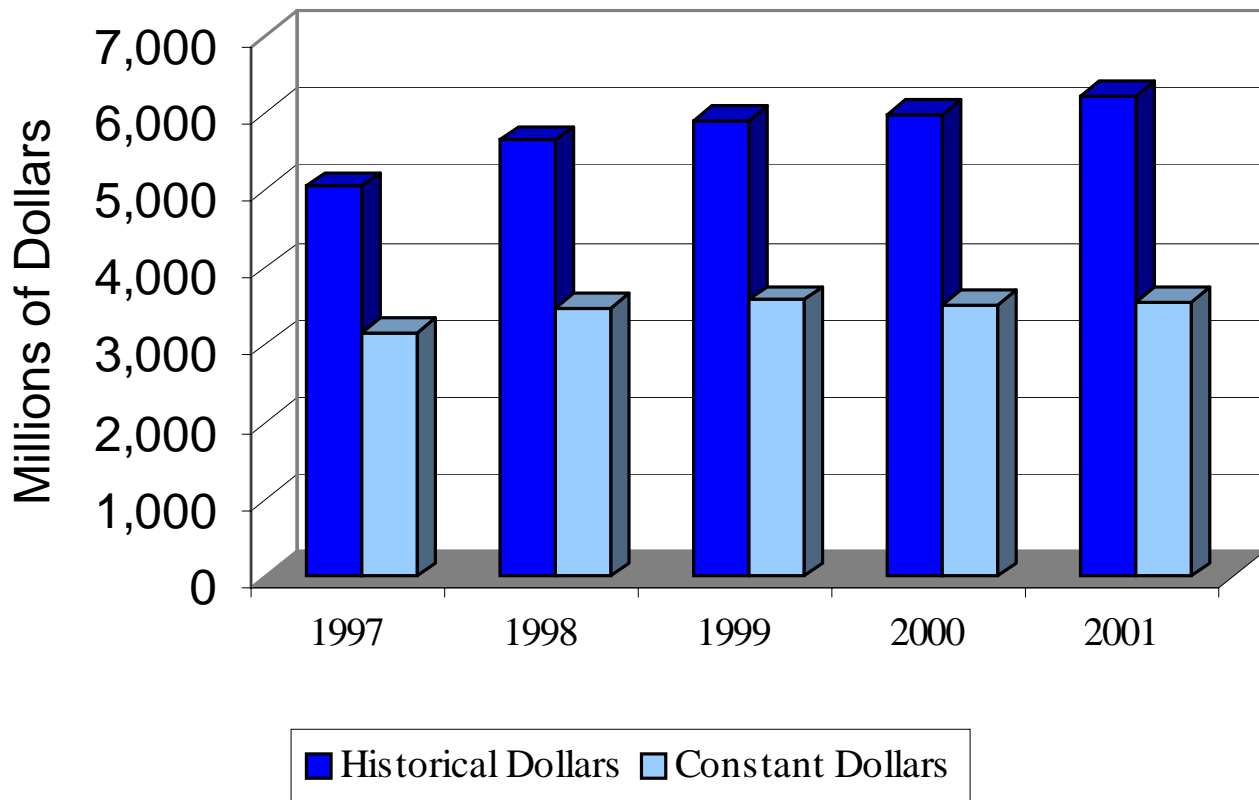
STATE OF UTAH

EXPENDITURES

HISTORICAL AND CONSTANT DOLLARS

ALL GOVERNMENTAL FUND TYPES

For the Last Five Fiscal Years



Expenditures

	<i>(Dollars Expressed in Millions)</i>				
	1997	1998	1999	2000	2001
Historical Dollars	\$ 5,044	\$ 5,641	\$ 5,900	\$ 5,980	\$ 6,234
Percent Change Over Previous Year.....	9.4%	11.8%	4.6%	1.4%	4.2%
Constant Dollars (A)	\$ 3,174	\$ 3,488	\$ 3,586	\$ 3,532	\$ 3,560
Percent Change Over Previous Year.....	6.4%	9.9%	2.8%	(1.5)%	0.8%

Base Year 1982–1984 = 100

(A) Note: Expenditures expressed in constant dollars were derived by using the consumer price index for all urban consumers.

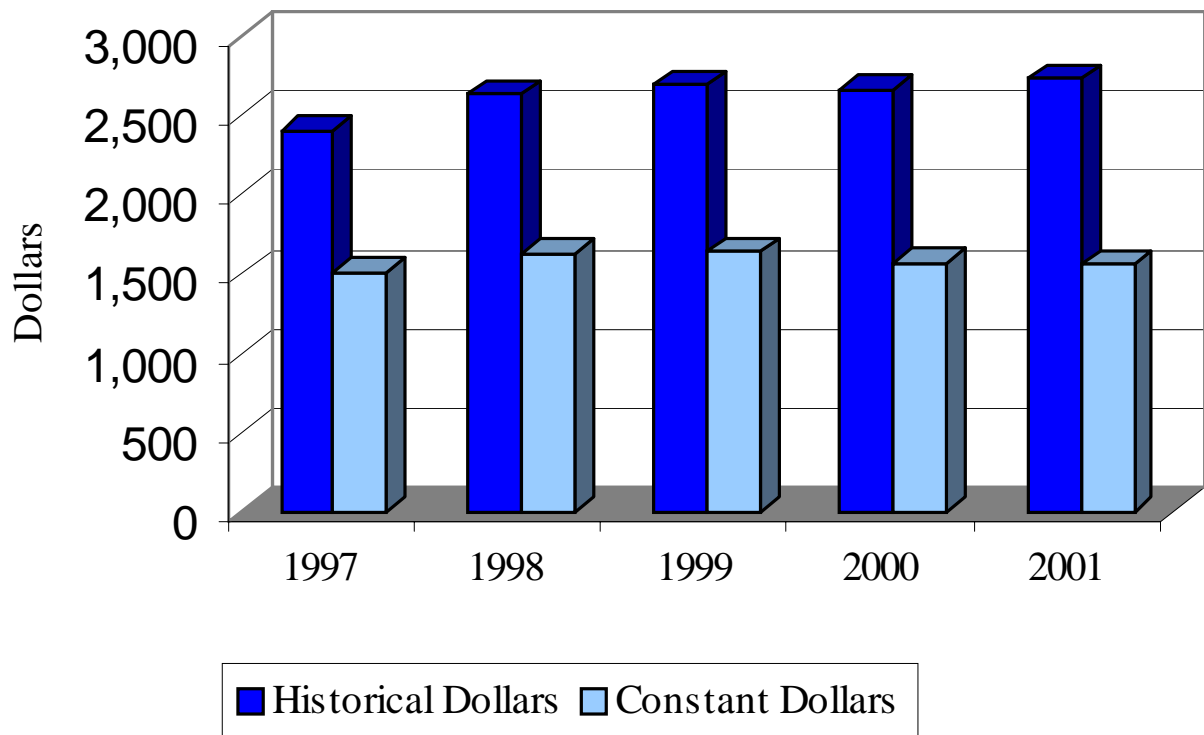
STATE OF UTAH

PER CAPITA EXPENDITURES

HISTORICAL AND CONSTANT DOLLARS

ALL GOVERNMENTAL FUND TYPES

For the Last Five Fiscal Years



Per Capita Expenditures

	1997	1998	1999	2000	2001
Historical Dollars	\$ 2,403	\$ 2,634	\$ 2,690	\$ 2,661	\$ 2,734
Percent Change Over Previous Year	6.5%	9.6%	2.1%	(1.1)%	2.7%
Constant Dollars (A).....	\$ 1,512	\$ 1,629	\$ 1,635	\$ 1,572	\$ 1,561
Percent Change Over Previous Year	3.5%	7.7%	0.4%	(3.9)%	(0.7)%

Base Year 1982–1984 = 100

(A) Note: Expenditures expressed in constant dollars were derived by using the consumer price index for all urban consumers.

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